FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT
No. 27,840
Saturday April 14 1979
CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 3.4; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 600; NETHERLANDS Fl 2.0; NORWAY Kr 3.5; PORTUGAL Esc 25; SPAIN Pta 50; SWEDEN Kr 3.25; SWITZERLAND Fr 2.0; EIRE 20p

NEWS SUMMARY

GENERAL

South Africans expelled by U.S.

The U.S. has ordered two South African military attaches to leave the country within a week in retaliation for the Pretoria Government's expulsion of three U.S. Embassy officials for alleged spying.

The State Department did not make parallel accusations of spying against the South African officials.

It was emphasised that the U.S. had no apology to make for the charges levelled by Mr. P. W. Botha, the South African Prime Minister.

Mr. Botha went on South African television to claim that a U.S. Embassy plane had been used for aerial spying over sensitive installations. Page 2

Lusaka attacked

Rhodesian commandos raided the Zambian capital of Lusaka, destroying the home of Black Nationalist leader Joshua Nkomo and attacking a centre used by liberation movements. A ferry at Kazangula operating between Zambia and Botswana was also destroyed. Back Page

Lule takes over

Uganda's new provisional government, headed by Professor Yusuf Lule, was sworn in on the steps of the Parliament building in Kampala to the cheers of a jubilant crowd. Page 2

UDR man shot

One of the longest-serving members of the Ulster Defence Regiment was machine-gunned to death near his home in the border village of Tynan, County Armagh. Thomas Armstrong, aged 63, was to have left the part-time force on Wednesday.

Teachers' action

Leaders of the National Union of Teachers decided to recommend members to withdraw goodwill after the Easter holiday following the failure of negotiations on a claim for pay increases of up to 36.5 per cent. Page 3

Snowdon death

Rescue teams on Snowdon recovered the body of John Mountain of Thorpe Bay, Essex, who had fallen about 500 feet. His 12-year-old daughter Allison had been found earlier in a snow hole. She was taken to hospital suffering from exposure.

Executions toll

The total of executions in Iran rose to at least 108 with the deaths of seven more military and police officials. Some revolutionary courts, however, gave five defendants jail terms and acquitted a para-military gendarme. Nuclear plant doubts, Page 2. Support for Arab radicalism cools, Page 2

Volcano erupts

La Soufriere volcano, 30 miles north of Kingstown, St. Vincent, began erupting and villages nearby were evacuated. The 4,000-foot volcano last erupted violently in 1902.

Briefly...

Quads born seven weeks prematurely to Mrs. Debra Keeping, aged 22, of Swindon, were "all satisfactory" in a special care nursery.

Prisoner died in his cell at Lincoln jail. Noel Smithern, aged 26, received a two year sentence a month ago for robbery and burglary.

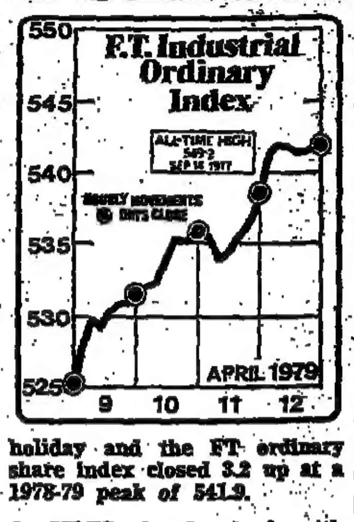
PUBLISHERS' NOTICE

The Financial Times will not be published on Easter Monday, April 16

BUSINESS

New 1978/9 high for equities

● EQUITY markets moved higher for the fourth successive day on Thursday, although business was subdued before the



holiday and the FT ordinary share index closed 3.2 up at a 1978-79 peak of 541.9.

● GILTS closed mixed, with the new Government stock, Exchequer 11 per cent 1991, which was oversubscribed on application, heavily traded in first-time dealings. (Back Page) The Government Securities index closed 0.04 up at 75.84.

● STERLING fell 60 points from Wednesday and its trade-weighted index closed at 67.5 (67.3). The dollar's index rose to 85.7 (85.3).

● GOLD fell $2¼ to $233¾ in London.

● WALL STREET closed 3.21 down at 876.50 making a loss over the week of 5.19.

● UK INDUSTRIAL production appeared to be recovering in February from the depressed level caused by bad weather and strikes in January. The all-industries index of production, issued by the Central Statistical Office, rose by 7.2 per cent in February, following a 7.4 per cent drop the previous month. Page 2

● F. W. WOOLWORTH has followed its rejection of the $1.125bn takeover bid from Brascan of Canada by suing the Canadian Imperial Bank of Commerce alleging misuse of confidential information in agreeing to help finance the proposed Brascan offer. Back Page

● IRISH GOVERNMENT has taken control of the supply and distribution of diesel oil following serious shortages in Ireland. The Irish Industry Minister has said that the government hopes to have legislation ready by the end of the year to establish a State-owned oil company to negotiate directly with producer countries. Back Page

● BL management will meet engineering unions next week to try to resolve the skilled workers' dispute and save the company's national joint negotiating committee from collapse. Page 3

● PERKINS diesel engine workers at Peterborough have won their fight for pay parity with a new offer giving them an average increase of £14 a week. Page 3

COMPANIES

● CORAL LEISURE beat its forecast for 1978 pre-tax profit by £4m in spite of a sharp downturn of £4.4m in casino trading. Pretax profit for the year to December 28 rose from £18.54m to a record £20.01m. Page 24 and Lex

● AUTOMOTIVE PRODUCTS pre-tax profits for 1978 rose by 11 per cent from £13.6m to £15.13m on turnover of £179.4m (£159.8m) in spite of the Ford strike and the closure of the Iranian market. Page 24 and Lex

● ALFRED HERBERT, the NEB's machine tool subsidiary, made a net loss of £7.36m in 1978, compared with a profit of £342,000 in 1977.
Back Page and Lex

CHIEF PRICE CHANGES ON THURSDAY

(Prices in pence unless otherwise indicated)

RISES		
Excheq. 12pc 2013/17	£108¼	+ ⅝
Babcock and Wilcox	174	+ 7
Bakers Household Stores	93	+ 12
Carpets Internat.	71	+ 11
EMI	130	+ 6
Eagle Star	168	+ 4
English Card Clothing	118	+ 9
Foster Bros.	245	+ 18
GEC	425	+ 10
Hanger Investments	81	+ 12
Harris (Philip)	146	+ 6
Ladies Pride	67	+ 9
Lead Industries	160	+ 9
Lucas Industries	295	+ 10
Pleasurama	135	+ 6
Robertson Foods	155	+ 7
Stakis (Reo.)	53½	+ 2½
Thorn Electrical	459	+ 9
Triplevest Capital	192	+ 12
UDT	51	+ 3
Wadkin	172	+ 9
Wallis Fashion	112	+ 12
Whim Creek	60	+ 10

FALLS		
Bambers	270	− 15
England (J. E.)	23	− 4
Excalibur Jewellery	18	− 4
Fisons	300	− 13
Lloyds Bank	333	− 7
'Amgold'	£14¾	− ⅞
Elsburg	74	− 11
Grootvlei	97	− 11
Pancontinental	675	− 50
Randfontein	£23	− 2
Rustenburg Plat.	125	− 12
West Driefontein	£17¾	− 1¼
Winkelhaak	568	− 50

Government in row over move to hand Prestcold to NEB

BY MICHAEL CASSELL AND RICHARD EVANS

A major row has developed about the Government's apparent insistence that the National Enterprise Board take over Prestcold, the ailing BL subsidiary, which is up for sale.

Prestcold claims to be the largest commercial refrigeration group in Europe, and the Ministerial takeover plan seems principally designed to prevent closure of the company's two Scottish manufacturing operations.

Both plants are at Hillington, Glasgow, and make refrigeration compressors and parts. Between them they employ 900 people, and both BL and the NEB believe they have no commercial future.

Closure notices to employees at Glasgow were due to go out on Thursday. But in a last-minute intervention Mr. Eric Varley, the Industry Secretary, announced his "firm intention" to issue a directive under the Industry Act compelling the NEB to negotiate purchase of the whole Prestcold Holdings operation from BL.

The enforced sale of Prestcold to the NEB would involve a book transfer exercise to keep the Board's interests in BL, in which it holds a 95 per cent stake, and the refrigeration group quite distinct.

Mr. Varley, who informed Sir Leslie Murphy, chairman of the NEB, of his decision, asked BL to keep the plants open while negotiations proceeded. He said the Government would bear the interim cost of maintaining operations. BL has agreed to his request.

The NEB last night would make little comment about the affair, other than to say that the receipt of a rare Ministerial directive "appears a possibility."

But at least some Board members are understood to be extremely annoyed at the Government's refusal to accept the results of a lengthy review of Prestcold's Scottish operations, which concluded that there was no alternative to closure.

The Government's intervention is also likely to trigger off confrontation in the General Election campaign.

Conservative politicians, including Mr. Teddy Taylor, Shadow Scottish Secretary, were questioning the move yesterday on the grounds that it looked like a decision to bolster Labour support in Scotland, where the party must hold on to its traditional supremacy to have any hope of retaining power at Westminster.

Mr. Richard Wainwright, Liberal Party spokesman on industry, said the Government's move represented "gross violation of the otherwise excellent role of the NEB," and compelled it to act as "stooge of a doctrinaire Government, without proper regard to the economics of the takeover.

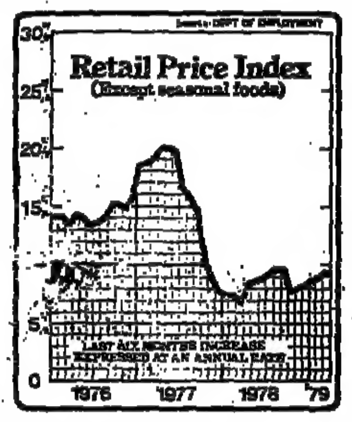
The accusations were strenuously rejected by Ministers, who said that it was the Government's duty to intervene and see what could be done to solve an extremely difficult industrial problem.

Mr. Gerald Kaufman, Minister of State at the Department of Industry, said in an ITN interview that the accusation of politically-motivated interference was a "very cheap and silly comment," and claimed Mr. Varley had intervened because of the effect which the Glasgow closures would have on the UK import bill and on local unemployment.

A review embracing the
Continued on Back Page
Alfred Herbert loses £7.4m, Back Page

Retail price index creeps higher

BY PETER RIDDELL, ECONOMICS CORRESPONDENT



THE 12-MONTH rate of retail price inflation continues to creep upwards and is likely to be back in double figures within the next month or two. But only a limited further acceleration is likely during the rest of 1979.

Department of Employment figures show that the retail price index rose by 9.8 per cent to 210.6 (January, 1974=100) in the year to mid-March. This compares with a 12-month rate of 9.6 per cent in mid-February and a five-year low of 7.4 per cent last summer.

But the 12-month rate is soon expected to be above ten per cent as a result of price rises on the way, notably sharp increases in local authority rates.

The acceleration in the 12-month rate has come sooner than expected, largely because of the sharp rise in the price of seasonal foods, such as fresh vegetables, caused by the bad winter weather. Seasonal food prices rose 3.4 per cent last month.

Once the 12-month rate is over 10 per cent it may not move much higher this year, partly because seasonal food prices are likely to fall during the summer.

The strength of sterling—up 5½ per cent so far this year—is likely to offset some of the impact of rising raw material costs and a 13 per cent increase in average earnings over the past year.

Only a moderate further acceleration is suggested by rises in wholesale prices charged by industry and by the underlying trend as measured by the increase in the all-items index except seasonal foods over six months, but expressed at an annual rate. This stood at 9.3 per cent in mid-March, compared with 8.9 per cent previously.

This is a much better guide than the Price Commission index of notified price increases. That has risen at an annual rate of 11.8 per cent over the past six months. But as the commission points out, the index is more an indicator of the slowing down or speeding up of price changes than a measure of them.

Most leading forecasters project a 12-month rate of retail price inflation of between 9.5 and 12 per cent by the end of 1979. The exact outcome may depend on the size of any increases in indirect taxes in the post-election budget.

But even on the most optimistic view prices in the UK would be rising more rapidly than in many other industrialised countries. The 12-month rate at present is slightly below that in the U.S. and France though much higher than in West Germany

The retail price index rose by 0.8 per cent in the month to mid-March, the same as in the previous month, mainly because of dearer alcoholic drinks, vegetables and petrol.

Times abandons re-launch date

BY ALAN PIKE, LABOUR CORRESPONDENT

TIMES NEWSPAPER'S management has abandoned hope of republishing its suspended newspapers from next Tuesday amid continuing disagreement with union leaders on the crucial issue of introducing new computer-based typesetting.

A re-launch advertising campaign has been cancelled and the Times Newspapers board will consider the position on Tuesday, the day on which it had been hoped The Times would reappear after an absence of four-and-a-half months.

The board will have to decide whether to keep on the payroll more than 3,000 staff who were dismissed after publication was suspended on November 30 and re-engaged on a temporary basis until Tuesday to allow for negotiations. They will cease to be employed after Tuesday night unless the management extends their re-engagement to permit more talks with unions.

Negotiations with the National Graphical Association, which has offered to re-open talks on new technology in a few years' time, have not satisfied the company that it would then be able to achieve its aim of allowing journalists and advertising staff to share access to the composing system with NGA members.

Times Newspapers is now suggesting that the issue should be resolved by arbitration and this is likely to be considered by the NGA national council on Thursday. ACAS has so far been involved only in conciliation procedures.

Mr. Duke Hussey, chief executive of Times Newspapers, accused the NGA of "insisting on an inefficient and impractical monopoly of the new system for their own union" in spite of offers of long phasing-in periods, joint reviews, regular consultation, more money and generous voluntary redundancy terms.

The union believes that its entire future will be at risk if it concedes the principle of other newspaper employees having direct access to composing systems.

In addition to the new technology issue Times Newspapers has still to complete negotiations on industrial relations changes with about 20 other groups of employees, and discussions with some of these are continuing during the weekend. Agreement at office and branch level was reached yesterday with SLADE, the process union.

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Labour makes issue of inflation

By Richard Evans, Lobby Editor

THE PRIME MINISTER and other Labour leaders are planning to make the fight against inflation the major issue when the General Election campaign enters its second week after the Easter Holiday, following confirmation that the retail price index has remained in single figures.

Labour Party private research has shown that prices and the rate of inflation remain the biggest source of public concern, but party leaders have been inhibited from campaigning too hard on the issue until it was shown that the critical barrier of double figures had not been breached.

Mr. Callaghan believes his best hope lies in stressing the progress Labour has made in curbing inflation, and contrasting the party's improved relations with the unions involving the pledge of 5 per cent inflation in three years, with the fear of conflict and rising prices under the Tories.

Labour's tactic will continue to be to carry the campaign into the opposition camp by emphasising Tory weaknesses, particularly the potential impact of Conservative policies on jobs and prices.

The latest phase of the campaign was launched by the Prime Minister on Thursday at his London Press conference when he argued that a steep rise in prices was bound to follow Tory plans to cut income tax.

"What they are talking about would mean the doubling of value added tax and there is no need to spell out what that would mean in terms of prices . . . it is all very well to have more take-home pay but it is not going to do very much good if prices are going to go up very much faster," Mr. Callaghan said.

Mr. Roy Hattersley, Prices Secretary, claimed that the 9.8 per cent RPI figure could be held, but Mrs. Thatcher maintained at her news conference that increases in the pipeline were "worrying" and it was unlikely that the Labour-TUC agreement could succeed in reducing the rate to 5 per cent. Her policy was to squeeze inflation out of the system.

A continuing embarrassment for the Labour Party is the situation at Newham North-East, the former seat of Mr. Reg Prentice, where his successor as Labour candidate has resigned because of his failure to get unanimous support from the local party.

Transport House has nominated three candidates from whom the final choice will be made on Tuesday.

Election news Page 4
The manifestoes compared Page 22

NRC was 'confused' in reactor crisis

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE NUCLEAR Regulatory Commission was almost at a loss as to what to do in the wake of the Three Mile Island reactor accident in Pennsylvania two weeks ago.

The magnitude of the NRC's confusion has been revealed by taped ranscripts of its deliberations made public by Congressman Morris Udall, Chairman of the House Energy Sub-Committee which is also investigating the affair.

One chilling passage recounts comments made by Mr. Joseph Hendrie, Chairman of the NRC, on Friday, March 30, on the third day of the crisis. Discusing the problems confronting both himself and Mr. Dick Thornburgh, Governor of Pennsylvania, Mr. Hendrie said: "It seems to me that I have got to call the Governor.

"We are operating almost totally in he blind: his information is ambiguous, mine is non-existent and — I don't know —it's like a couple of blind men staggering around making decisions."

Even when President Carter visited Three Mile Island on the following Sunday, the transcripts show that the NRC technical staff did not know how real the risks were that the hydrogen bubble, which was frustrating attempts to bring the reactor to a stable condition, might catch fire and explode.

The tapes also reveal that the NRC was in constant contact with the White House and Mr. Jody Powell, the Presidential Press Secretary, seekng guidance on how the incident should be portrayed to the Press.

In fact, the pressure from the Press for more information apparently sorely tried Mr. Hendrie's patience, at one stage he commented: "Which amendment is it which guarantees freedom of the Press? Well, I'm against it."

At Three Mile Island experts claim that all danger has passed, that contamination of the reactor has been minimal.

But the public debate has already switched to expressions of more general concern about the safety of nuclear facilities and the ability of federal officials quickly to assume control o dangerous situations.

The transcripts of the NRC meetings will provide ample ammunition for those who contend that the present regime is insufficient.

They demonstrate that the NRC staff had little confidence in the abilities of the reactor's operator, Metropolitan Edison, successfully to shut down the damaged facility or even to provide the NRC staff on the site with the sort of technical advice that could have helped it determine the extent of the danger.

Both Mr. Hendrie and Mr. Harold Denton, the chief MRC officer on the scene, were quoted in the tapes as saying that Metropolitan Edison were technically weak and had been too slow to respond to the crisis.

Sixteen days after the incident confusion continues. On Wednesday, the State of South Carolina refused to admit trucks carrying nuclear waste from Three Mile Island. They have had to return to Harrisburg and the NRC is due to explain to State officials that no risk is involved in their transportation.

The NRC has also issued warnings to operators of 34 more nuclear facilities, built by Westinghouse and Combustion Engineering, that they might be vulnerable to the same mishap that befell the Three Mile Island plant, built by the American Babcock and Wilcox.
French nuclear accident, Page 2

U.S. production up 0.8%

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

INDUSTRIAL PRODUCTION in the U.S. rose by 0.8 per cent last month, thus re-inforcing the belief of many analysts in and out of Government that the economy is dangerously overheating.

The March jump compares starkly with the bare 0.1 per cent advance in the Federal Reserve's index recorded in February and the no-change in January.

The Fed attributed some of the surge, which it said was widespread throughout the industrial sector, to recovery from the lower levels of activity in the depths of the winter.

However, the fear is that companies may have been rapidly building their inventories as a protection against hard times. It was the sharp depletion of stocks which heralded the deep recession of 1974-75.

Economic expansion at this rate also imperils the administration's chances of bringing inflation under control. There is now a sharp debate on the merits of President Carter asking the Fed to exercise still greater monetary restraint, perhaps combined with credit allocations, as well as engaging in another dose of fiscal austerity

OVERSEAS NEWS

Iran cools support for Arab radicalism

By Simon Henderson in Tehran

THE NEW Government in Iran appears to be shifting its stance on general support for other Arab states and has expressed its anxieties about the danger of secession by the Arabs of Khuzestan, the south western province bordering Iraq which contains most of the country's oilfields. There is an unspoken fear that local arabs will disrupt oil production to show solidarity with radical Arab states.

The Tehran Administration says it is having second thoughts about allowing the Palestine Liberation Organisation to set up a representative office in the port town of Korramshahr. Mr. Abbas Amir Entezam, a Deputy Prime Minister, said on Thursday that the Government was considering the implications of an office there from the point of view of the local Arab population.

Since the Revolution two months ago the new Government of Mr. Medhi Bazargan has had to face autonomist demands from the Kurdish and Turkoman regions, both accompanied by armed clashes. Mr. Amir Entezam has referred to Khuzestan as being the most likely next trouble spot before, but previously has not gone into details.

Until agreement was reached with Iraq four years ago, the Khuzestan region was the subject of a territorial dispute and Baghdad encouraged separatist feelings there. The bulk of Iran's Army including most of its tank force has traditionally been stationed in this area.

Although the Arabs in Khuzestan are now in a minority, they are employed in large numbers in the oil industry. Some are reported to have lost their jobs because of cutbacks in production and exploration.

Diplomats in Tehran have recently started to comment privately about leftist pressure in the area and the possible awakening of separatist feelings. They suggest it was a serious mistake for the Government to allow the PLO to set up a consulate in the main oil town of Ahwaz.

The consulate agreement was reached in the immediate aftermath of the revolution when Dr. Ibrahim Yazdi, the Vice Premier for revolutionary affairs, invited Mr. Yassir Arafat to Iran and toured the area with him. The PLO was also presented with the building of the former Israeli mission in Tehran as its new representative office in the capital.

Comments by Mr. Amir Entezam also indicated growing disquiet about the Palestinian's role in Tehran. He said no foreigners had the right to interfere in Iran's internal affairs and the Government would be investigating reports that Palestinians were making checks on who was staying in hotels.

Meanwhile in the past two days revolutionary courts ordered the executions of another 15 former officials in the Shah's regime, bringing the total number of executions for political offences in the past two months to 108.

Doubts over nuclear orders

DOUBT HAS been cast on whether Iran will complete two West German nuclear plants after a statement by Mr. Fereydoun Sahabi, the new head of the Atomic Energy Authority carried by Tehran Radio on Thursday. The plants were to be the first reactors in Iran, and were the only ones not already cancelled.

The statement, the latest in a series of contradictory comments by Iranian officials, said the Government would decide in a few days whether to go ahead with the plants. Just because Iran has spent DM6bn of its own money so far, it did not mean the plants would be completed, Mr. Sahabi said.

The plants, known as Iran 1 and 2, are each of 1200MW. They are being built by Kraftwerk Union, the Siemens subsidiary, at a cost between $7bn and $10bn.

Work on the plants, at Bushehr on the Gulf, is at present suspended with only about 400 of the original 3,000 expatriate workers remaining on the site to carry out maintenance. West German officials indicate that they do not expect a final decision to be taken on the future of the plants for another two months.

Mr. Sahabi had said that various groups were studying the plans for the plants and would report to the cabinet of Mr. Medhi Bazargan for a decision. He said there were problems in the running of the plants, their maintenance and the disposal of waste fuel.

Quentin Peel, in Johannesburg, on South Africa's alienation from its allies and why the Government has made an issue of the American 'spy' aircraft

Botha burns his bridges

MR. P. W. BOTHA'S accusations of espionage against the U.S. mark the lowest ebb in South Africa's already strained relations with that country in recent years.

By publicising the dispute, Mr. Botha has underlined the alienation between South Africa and its traditional Western allies, apparent since well before the advent of the Carter Administration.

He has also cleared the way for a final abandonment of the U.S.-inspired Western efforts for peaceful solutions to the conflicts in both Rhodesia and Namibia.

The espionage incident in itself is more a reflection of the bad relations than a likely cause of further deterioration. South African spokesman have already made it clear they feel the Western price of internationally-acceptable settlements in the region is too high—implying possible victory for Soviet-backed guerrilla movements—and they would prefer to seek an internal, locally generated solution.

In Namibia, while insisting that "the door is not closed" to further attempts at an international compromise, South Africa and its closest allies in the territory, the Democratic Turnhalle Alliance (DTA) have made it clear that the present Western-negotiated UN plan for a ceasefire and elections are completely unacceptable. The DTA now wishes to establish an interim Government as an alternative to the UN plan.

Over Rhodesia, there has been increasingly open South African support for the internal settlement in that country in recent weeks, culminating in the promise this week of material support (in the form of transport) for the coming elections. Moreover, there have been no disapproving noises from South Africa for Rhodesia's sudden escalation of cross-border raids, unlike on previous occasions.

Mr. Botha and his regime are hoping for a conservative swing in both the U.S. and in Britain at next month's general election which could rebound in South Africa's favour. This has strengthened the hand here of those who oppose international accommodation which might compromise the survival of white rule.

The allegations of spying follows a typical lyoutspoken attack by Mr. Pik Botha, the Foreign Minister, on Mr. Don McHenry, deputy U.S. Ambassador to the UN and the West's principal negotiator on Namibia.

Mr. Botha described him as "an enemy of South Africa." This was repudiated by the U.S. State Department, and Mr. Botha recalled his Ambassador to Washington earlier this week.

In domestic terms, the sudden discovery of an external threat in the shape of the U.S. Administration is very convenient at this moment. The scandal of the secret activities of the former information department has seriously undermined the credibility and political confidence of the government. Few observers here believe that the U.S. activity, if proven, have only just been discovered. But Mr. Botha has seen it as politically expedient to reveal it now.

South African anger is not solely directed at the U.S. Relations with the British mission here are also understood to be at a low point, since the Prime Minister accused the five Western powers of bad faith over the Namibia negotiations, and was publicly rebuked by Sir David Scott, the British Ambassador.

South Africa accuses U.S. of espionage

By Our Foreign Staff

SOUTH AFRICA'S Prime Minister, Mr. Pieter Botha, has expelled three U.S. diplomats for alleged spying operations, and accused the U.S. of "a gross violation of South African sovereignty."

Mr. Botha claimed in a live TV broadcast that American diplomats had used a U.S. Embassy light aircraft, equipped with an aerial survey camera under the co-pilot's seat, for espionage purposes throughout large areas of South African territory.

U.S. Embassy officials have so far refused either to confirm or deny the South African Prime Minister's allegations. The State Department in Washington nevertheless identified the three men expelled as Air Force Colonel Alvin Crews, the Defence Attache, Major Bernd McConnell, the Assistant Air Attache, and Master Sergeant Horace Wyatt, crew chief of the embassy aircraft.

In accusations closely linked with those made by Mr. Botha yesterday, Rhodesian newspapers claimed on Wednesday that sophisticated aerial survey equipment had been discovered on the aircraft carrying Mr. Stephen Low and Mr. Robin Renwick, the U.S. Ambassador to Zambia and UK Foreign Office officials to talks in Rhodesia. The aircraft, after leaving Salisbury Airport, allegedly circled twice over the main Rhodesian air-force base at New Sarum before heading for South Africa.

The aircraft at the centre of the allegations was last night reported to be cordoned off by police at a Cape Town airport. Permission to use it has been summarily withdrawn, and it will not be allowed out of the country until South African technicians have made sure all offending equipment has been removed.

Springbok Olympic ultimatum to France

By David White in Paris

A FRENCH rugby tour by the South African Springboks will almost certainly be cancelled as a result of one of the first skirmishes involving politics and the 1980 Moscow Olympics.

The French Government expressed its opposition to the tour following a warning by the International Olympic Committee (IOC) that France might be kept out of the Moscow Games if it went ahead.

The tour party, due in October, was to have included non-white players.

An all-white rugby squad from Transvaal leaves for home tomorrow after all the four fixtures it was due to play were cancelled. The French Rugby Federation (FFR) opposed the Transvaal matches because its original agreement was that the teams would include at least two non-whites.

M. Jean-Pierre Soisson, Minister for Sport, confirmed that the Springbok tour had been judged "inopportune"—a stance believed to have been dictated by President Valery Giscard D'Estaing. The FFR was, however, still in favour of the tour.

The Olympics warning came from Lord Killanin, IOC president, who told the French Olympic Committee that if France continued to give active or passive patronage to the Springboks the IOC would be obliged to apply rule 23 of its statutes. This would mean suspending the French committee, thereby excluding France from the Games.

The letter said the IOC wanted to avoid a repeat of Montreal, when a number of African nations boycotted the Games in protest against the participation of New Zealand whose All Blacks had made a South African tour.

IMF urges tough economic recovery measures for Italy

BY RUPERT CORNWELL IN ROME

A SEVERE containment of labour costs, higher taxes, tight credit, and the use of strict economic criteria for state aid tot ailing companies will be necessary if Italy's current vigorous but fragile recovery is to be consolidated.

These are the main recommendations couched in unusually forthright terms, of the memorandum left in Rome by the team of IMF experts from Washington, headed by Mr. Alan Whittome, the Fund's European Director, which has just left Rome after its latest regular visit to review the progress of the economy.

Sig. Filieppo Maria Pandolfi, the Treasury Minister, took the equally unusual step of publishing the document on the threshold of what is likely to be a bitterly contested campaign before the domestic general election on June 3 and 4.

By doing so, Sig. Pandolfi underlined the political importance of the recommendation—and left no doubt of his own endorsement of ideas which are broadly in line with the Government's own three-year economic recovery programme, now effectively shelved as a result of the political crisis.

The Fund's warning that Italy must take swift action to tackle inflation has coincided with the issue of the latest retail price figures here. These show a 1.2 per cent increase in March, bringing the 12 month rise to 13.7 per cent well above the 10-12 per cent target range indicated in the Government's plan.

At the same time employers and unions have stepped up their war of nerves over the deadlocked labour contract negotiations now in progress. While the former have threatened court proceedings against unlawful industrial action, the unions are seriously considering a one-day general strike next month to support their claim.

The IMF has repeated the demand of Sig Pandolfi for what amounts to an Italian incomes policy over the life of the new contract which runs until 1981: that in real terms any pay increase should not exceed the growth of productivity.

The document implicitly opposes the devise of the "Scala Mobile," the mechanism linking wages automatically to the rise in retail prices.

It warns that the alternative to a successful control of labour costs would be higher inflation, a depreciation of the lira and probably a further loss of export competitiveness.

To tackle the threat of economic overheating, already noticeable among some companies as the upswing gathers pace the Fund wants Italy to retain strict credit curbs to prevent the expansion of liquidity getting out of line with the productive capacity of industry.

At the same time it offers harsh medicine to cure the perennial ill of the country's chronic public sector deficit. Seemingly resigned to the fact that it would prove politically impossible to make real inroads into state spending, the IMF comes down firmly in favour of higher taxes to swell receipts.

Personal income tax should not be permitted to drop in real terms; further steps should be taken against tax evasion while public service prices should if necessary be raised to cover more closely the real cost of providing them.

For the moment Italy has no need of the $1bn standby credit for which negotiations took place intermittently last year. But although reserves stand at a record level of over $22bn Sig. Pandolfi is understood to have intimated that once a new Government is in office after the election these talks will be resumed.

The goal is clearly to obtain a new standby from the IMF to underline international confidence in the economy and the basic credit worthiness of the country.

New Uganda government sworn in

BY JOHN WORRALL IN NAIROBI

WITH THE swearing in of a new Government in Uganda, quiet has fallen over the capital of Kampala after two days of disorder and looting, when mobs broke into the homes of government ministers and carried off everything that could be moved in what witnesses described as "the nights of the wheel-barrows."

Yesterday, Good Friday, all the churches were open for services and big crowds went to pray. One Kampala resident said that rebel Ugandan and Tanzanian soldiers were carried jubilantly to church. The Anglican Nemirembe Cathedral was crowded and prayers were offered for the new Uganda Government.

So far four African governments have recognised the provisional regime of 67-year-old Professor Yusufu Lule; who was sworn in as president yesterday. They are Tanzania, Mozambique and Zambia and Botswana. Others are thought to be following suit shortly.

Professor Lule and ministers of the provisional Government were sworn in at the Parliament buildings in Kampala. There is an eleven-man executive council, intended to be a transition to a democratic form of government. Elections are to be held in two years.

After taking the oath as President, Prof. Lule called for a moment's silence in memory of those who died under President Id Amin, and told the crowd:

"We are not masters, but your servants. We will do our best to serve you." The new President appealed to Ugandans to forego individual acts of vengeance.

"We must not indulge in the evil acts of the regime we have just removed, he said. "Respect for life and individual life are to be paramount. The rule of law must be established immediately.

"Al criminal fellows must be brought to justice and no one should take the law into his own hands. We consider this to be crucial."

A countrywide manhunt is going on for President Amin, who is believed to be somewhere in Uganda's eastern area. The Kampala military authorities have sent out commandos to search for him and bring him back alive for a public trial.

A great deal of the eastern part of the country is believed to be still under Amin's control, and it is thought in Kampala he could either be in Jinja, Mbale or Soroti, where he may have gathered together troops still loyal to him.

Meanwhile, large numbers of Kenyan troops are moving into the border area to control a big influx of Uganda refugees pouring into Kenya through the border posts of Malaba and Busia.

Most of the more than 1,000 refugees a day in the past few days have been Arabs, Nubians and other Moslems who are fleeing from an outbreak of Christian reprisals in the northern Lango area, where Christians suffered severely from harrassment from Amin Moslem supporters.

French confirm nuclear spill

BY DAVID WHITE IN PARIS

FRENCH AUTHORITIES have confirmed reports of an incident at a nuclear reactor on the Channel coast of the kind that led to the near-disaster at Harrisburg in Pennsylvania.

The French electricity board, EDF, said that during tests at its Gravelines power plant on April 6 a malfunctioning valve had let 50 cubic metres of water gush into the building housing the reactor.

In a statement issued after revelations by a trade union leader, the board said it was a "classical fault" and that it had not caused radioactive contamination or injury.

The Gravelines reactor is due to go on stream at the end of this year under France's ambitious plans for expansion of nuclear power.

The director of the plant blamed the fault on a new type of valve and said the failure could not have happened while the reactor was in normal use. "The incident took place in the course of a series of tests which have the precise purpose of detecting all the causes of incidents so that remedies can be found."

China sees key role for Hong Kong

BY OUR HONG KONG CORRESPONDENT

THE HONG KONG Governor, Sir Murray Maclehose has returned from China optimistic about the future of Hong Kong. In what is perhaps the highest-level assurance to date from a Peking leader, Senior Vice-Premier Deng Xiaoping asked Sir Murray to tell investors in Hong Kong to "put their hearts at ease." indicating China's continuing interest in maintaining a good investment climate in Hong Kong.

Throughout Sir Murray's 11-day visit, Chinese officials repeatedly emphasised their hopes that Hong Kong would play an important role in China's modernisation programme, particularly in the development of neighbouring Guangdon Province.

Sir Murray said Guandong authorities regarded Shenzhen (Schunchun), an area just across the border from Hong Kong recently elevated to special municipality status, as a region most likely to attract Hong Kong investments. Within Peking gave assurances that more would be done to curb the outflow, and immigrants to Hong Kong: estimated to number about 600 legal and illegal immigrants a day. "But our concern is when this will be done. Time is beginning to matter to us at the present level of influx," said Sir Murray.

The Governor stressed to Chinese officials the problems which would arise if China were to displace Hong Kong products in third countries such as the U.S. or the EEC. Sir Murray said this would only reduce Hong Kong's capacity to import Chinese products, thus offsetting any increase in Chinese exports elsewhere.

Japanese angered by EEC import barriers

By Charles Smith, Far East Editor, in Tokyo

JAPAN HAS expressed "very strong displeasure" to the European Community over the EEC's last minute withdrawal from the Geneva trade package of an offer to abolish bilateral import restraints on some 33 Japanese export items. The EEC offer originally formed part of the trade package initialled in Geneva on Thursday, but Japan was told the day before the initialling that the offer had been withdrawn. The EEC apparently took this action because of "dissatisfaction" with Japan's recent trade performance.

An official at the Ministry of International Trade and Industry (MITI) said that Japan was reserving its position on how best to respond to the EEC action. Japan may start by trying to persuade the EEC to reverse its withdrawal of the liberalisation offer before the formal signing of the multilateral trade agreement later this year. If that fails, some kind of retaliation against the EEC move is to be expected.

European Community member countries maintain residual import restraints on 64 Japanese export items, some of which are of considerable potential importance. A case in point is the Italian quota on imports of Japanese cars, which is currently set at 2,000 vehicles per year.

Japanese officials say that the EEC's action may also affect the export of some developing countries and is thus an unfortunate prelude to the opening of UNCTAD five in Manila next month.

Turkey aid discussions

By John Wicks in Zurich

A TURKISH delegation headed by the Finance Minister Mr. Ziya Muezzinoglu and understood to have included the Governor of the country's Central Bank left Zurich on Friday morning after two days of talks on conditions for further international monetary aid. The discussions had been with IMF managing director M. Jacques de Larosiere and the Lower Saxony Finance Minister Mr. Walter Leisler Kiep, acting on behalf of the Federal German Government and as an observer of the OECD.

In Switzerland itself, both the Government and the big banks are interested in Turkey's final reaction to the Fund's recommendations. The Swiss authorities are considering a contribution, within the OECD framework, to the IMF loan to Turkey; the country is expected to be added to a list of recipients of Swiss monetary aid first drawn up in 1968 and now the subject of a new Federal decree. Any further move will depend on the fate of the IMF proposals.

Spokesmen for Zurich banks said further credit from them would also wait for a decision in this sector.

The Turkish Government yesterday sharply raised most interest rates to encourage savings and combat inflation.

For one-year time deposits, the interest rate rose to 20 per cent from 12 per cent. For two-year deposits it went up to 22 per cent from 16 per cent.

OECD notes prices spurt

By Our Paris Correspondent

THE QUICKENING pace of inflation in the major Western countries in the opening months of this year is demonstrated by the OECD's figures for February which show an overall 0.8 per cent increase in consumer prices in the month and an 8.5 per cent rise over a one-year period. For the European members of the OECD, the rise was 9 per cent over 12 months.

More preoccupying was the fact that the annual rate calculated over a six-month period rose to 8 per cent in February from 7.3 per cent in the six months to the end of January.

The OECD said the pattern was fairly consistent and was particularly influenced by oil and food price developments. The exception was Japan, where consumer prices actually fell in February because of lower food costs.

Nicaragua fighting

LEFT-WING guerrillas held the northern Nicaraguan city of Esteli for the seventh day yesterday despite heavy fire from President Anastasio Somoza's artillery and aircraft.

Refugees from Esteli said around 400 guerrillas of the Sandinista National Liberation Front who overran much of the city on Saturday captured the communications centre, knocked out an armoured car and destroyed a Sherman tank that had been firing into the city. The National Guard denied these reports.
AP

UK NEWS

Industrial gas tariffs go up by 11%

BY MICHAEL CASSELL

THE PRICE Commission has approved an 11 per cent increase in industrial and commercial gas prices.

The increases reflect the full extent of the Gas Corporation's application for industrial and commercial price rises and form an interim measure while the Commission continues its overall investigation of gas prices.

In February the Corporation notified the Commission of its intention to raise all prices by a weighted average of 8½ per cent from April 1. It said it also planned to increase installation and services charges by a weighted average of 25 per cent, and to raise charges on a variety of other services by between 10 per cent and 25 per cent.

The Commission announced at the end of March, however, that gas prices would be frozen for three months while it examined the proposed increases.

The interim increases allowed do not affect domestic consumers and it seems unlikely that they will be permitted to rise while the Commission's investigation continues. It is due to be completed at the end of June, when the Commission's recommendations will be forwarded to the Secretary for Prices and Consumer Protection. The last increase in gas tariffs was in April 1977.

In March the Price Commission announced that domestic electricity charges would also be frozen at least until the end of May while it investigated proposed increases averaging 8.6 per cent.

Industrial and commercial users billed monthly are paying a 3.7 per cent increase from this month, together with a fuel adjustment surcharge.

Production index rises 7.2%

BY DAVID FREUD

BRITAIN'S industrial production appeared to be recovering in February from the depressed level caused by bad weather and strikes in January.

The Central Statistical Office announced on Thursday that the the all-industries index of production rose in February by 7.2 per cent to 110.4 (1975=100, seasonally adjusted). This followed a drop of 7.4 per cent in the previous month.

There was a similar pattern in manufacturing industry, where the index increased 11.1 per cent to 103.8—slightly above the December level of 103.5.

The figures are less reliable than usual because of difficulties in allowing for the widespread disruption of production.

The statistical office gave a warning that because of this the extent of the February recovery was hard to judge.

Taking the latest three months together the all-industries index fell about 1½ per cent compared with the period September - November. The index for manufacturing industry fell 2½ per cent in the same period.

Within manufacturing industry the biggest drop was in the chemicals and coal and petroleum products sector. Output there was down 5.6 per cent in the latest three months compared with the previous three.

Metal manufacturing was down 3.7 per cent and textiles, leather and clothing by 3.3 per cent. The smallest decline was in engineering and allied industries, where output fell by 0.2 per cent.

In the period December-February the all-industries index was about 1 per cent above the same period a year ago and about 10 per cent above the trough in the third quarter of 1975. The index for manufacturing industry was 2 per cent below the previous year's level and about 2 per cent above its 1975 trough.

Industrial Production
1975=100, seasonally adjusted

		All-Industries	Manufctg.
1977	1st	105.6	103.9
	2nd	105.5	102.4
	3rd	106.2	103.0
	4th	105.8	101.8
1978	1st	107.0	102.2
	2nd	110.8	104.5
	3rd	111.5	105.1
	4th	109.7	102.5
	Oct.	108.5	101.7
	Nov.	109.5	102.4
	Dec.	111.2	103.5
1979	Jan.	103.0	93.4
	Feb.	110.4	103.8

Source: Central Statistical Office

Food-makers warn of monopoly risk

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

BRITAIN'S food and drink companies should be given special treatment in any future change in Government monopolies and merger policy, the Food and Drink Industries Council urges.

In a comment on the Government's Green Paper on monopolies and merger policy, the council suggests that the present policy, which uses the criteria of the public interest, "is becoming increasingly ill-defined."

The council believes that the low profitability and extreme competitiveness of the food and drink industries mean that future policy should be aimed at regenerating these industries.

"It should be made clear in the Fair Trading Act that the Monopolies and Mergers Commission shall take into account the need to maintain, in the long term, viable food and industries, with specific reference to the need for adequate profits, sufficient investment and the need to encourage new enterprises," the council says.

It also warns that the growing power of large retailers could lead to increased monopoly concentration in the food industry as a defence.

"It is possible to envisage a situation in which powerful buyers acted in a predatory fashion so that manufacturers either stopped making a particular product, or merged for protection," the council suggests.

"This would lead towards monopoly in the manufacturing sector and a serious decline in competition."

The Confederation of British Industry's response to the Green Paper—which included a call to scrap the Price Commission—was endorsed by the council.

Drop of 2% in world wool textile output

BY LYNTON McLAIN

WORLD WOOL textile production fell 2 per cent in December compared with the same month a year earlier, according to figures published by the Department of Industry yesterday.

The Wool Industry Bureau of Statistics, which compiled the figures, showed volume production of woven fabrics, excluding blankets, 4 per cent lower last year than in 1977.

Deliveries of worsted yarns, excluding semi-worsted yarns, fell 5 per cent in the same period. Production of wool was down 7 per cent and of man-made fibres 5 per cent.

The Industry Department said that production of wool and hair totalled 48.6m kg, half that recorded 10 years ago, compared with the 45m kg of man-made fibres, which rose 20 per cent over the period; but total man-made fibre output last year was below record production of more than 55m kg in 1973.

Production of woollen yarn over the 10 years from 1968 fell more than 40m kg from the recent peak output of 147.4m kg in 1968.

Output of man-made fibres varied last year, with a peak of 4.5m kg in March and a trough of 2.4m kg in August.

Shipping pact boosts jobs

PETERHEAD ENGINEERING is expanding into Dundee. An agreement was signed yesterday with the Dundee Port Authority for the company to take over 10,000 square feet of warehouse and carry out ship repairing at the dry docks.

Work will start next week with 20 employees, building up to about 100.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates $365.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing centres.

Jeans bring Scots 2,000 new jobs

BY RAY PERMAN, SCOTTISH CORRESPONDENT

LEVI STRAUSS, the San Francisco-based clothing company, is to invest £7m in opening three new factories in Scotland, providing 2,000 jobs, by 1984.

The decision has been prompted by expanding sales of denim jeans in Britain and the very good productivity record of the company's three existing Scottish plants at Dundee, Glasgow and Whitburn, Lothian, which employ between them some 1,100 people, mostly women.

Production of jeans will be increased and the new plants will also make other products such as sportswear.

Factories are being leased from the Scottish Development Agency in Dundee, Glasgow and Inchinnan, Strathclyde, and recruitment of an initial 1,000 workers will begin in about three months.

Most of the jobs will go to *unskilled school-leavers, who* will be trained by Levi Strauss.

Mr. Frank Blanchette, director of Levi's Northern European operations, said yesterday: "In Scotland we have developed an efficient manufacturing base capable of producing high-quality products on time at a low cost.

"It is our intention to use this base as a stepping-off point into new product ranges and to meet the increase in sales of denims from within the UK."

Lorry sales highest since oil crisis days

By Kenneth Gooding

COMMERCIAL vehicle registrations in the UK in March reached the highest level for the month since 1973, immediately before the oil crisis. And UK manufacturers won back market share.

First-quarter sales were also at a six-month peak.

March registrations totalled 27,006, nearly a third higher *than in the same month last* year. For the first quarter the total was 15.35 per cent up on the 1978 level at 71,463.

Importers took 21.2 per cent of the March market against 24.73 per cent in the same month a year before. In the first quarter their penetraion fell from 21.62 o 20.57 per cent.

This was in spite of UK performance being held back by the after-effects of Ford's nine-week *shut-down* last autumn, which were still being felt in January and February because body-builders were short of vehicles.

As a result, Ford's UK-built truck registrations were down from 4,278 to 2,726 in the three-month period.

The company maintains, however, that it delivered a record number of trucks in the first quarter and that it expects to sell at least a quarter more in the UK this year than last.

Ford was not so badly affected at the lighter end of the commercial vehicle market; its total first-quarter registrations were marginally ahead at 18,317.

Affected

Bedford, *the General Motors* subsidiary, was the best-selling truck maker in the UK in the first quarter with 3,795 registrations. With lighter vehicles in-*cluded, the total was 14,742*—the best for the group since 1973.

Leyland Vehicles held its ground with total truck sales for the three months at 3,390, *against 3,366. Sales of lighter* commercial vehicles from BL's Austin Morris subsidiary were well ahead, from 11,078 to 12,671 over the quarter.

Land-Rover sales (including Range Rovers) went ahead from 1,371 to 1,942 during the same period.

The buoyancy of the market *enabled nearly all the major* importers to sell more vehicles, even if they lost market share. The main exception at the heavy end was Volvo, with first-*quarter registrations down from* 981 to 808.

At the light end Japanese performance showed that restrictions on shipments, which *began to be felt towards the end* of 1978, are beginning to affect activity.

Over the first quarter, registrations of Japanese light commercial vehicles fell 73 per cent, from 6,288 to 4,587. The brunt was taken by Datsun, with sales down from 2,121 to 1,601, and Toyota, down from 1,575 to 702.

● NEWS ANALYSIS—WIGGINS TEAPE'S PROBLEM MILL

Fort William's survival strategy

BY MAX WILKINSON

IT MAY be no accident that Wiggins Teape chose the run-up to the general election to *announce that its Fort William* pulp mill is in danger of closure, for the future of this Scottish plant is now certain to become an important political issue.

The next government will have to decide whether simply to stay clear of the problem or subsidise the construction of *new* plant. Finnish consultant Jaako Pöyry, who has just done a nine-month study at Fort William, has suggested that a newsprint *mill should be built so* the company could make better use of the wood available and convert it into a more valuable product.

However, the first step will be to discover whether any private enterprise consortium would be prepared to take the risk, even helped by government *subsidy*, of building a newsprint mill at a cost of perhaps £100m.

Wiggins Teape's bleached sulphite pulp mill, which it has operated at *Fort William since* 1966 in conjunction with a nearby fine-paper mill, is outdated.

Pöyry concluded that even if *the pulp mill were modernised* at a cost of perhaps £10m, it still would not be profitable. The main reason is that with production of 63,000 tonnes a year, it is under intense competition from larger, more modern sulphate mills in Scandinavia and the southern U.S.

The southern U.S. mills are near large natural forests which are harvested in great swathes; labour is cheap and there are no trade unions. The cost of wood at the pulp mills *is about half that in Scandi*navia and Scotland. So even the large and efficient Scandinavian mills have been unable to compete and many have suffered fearful losses during the past three years.

The Scottish mills are even *worse off: their wood comes* mainly from thinnings cut by hand, often in remote places.

In addition, low prices and the over-supply of pulp in the past few years has led to the closure of a number of smaller mills in Europe and Scandinavia which used the older sulphite process. Even if they had been modernised, it is unlikely they could have competed with the strategic advantages of the U.S. *mills*, where a large amount of extra capacity is planned.

Process

The sulphite process, in which the wood chips are cooked with chemicals, converts only about half of the wood to pulp. By contrast, mechanical pulping plants where the logs are ground between stones, con*vert about 95 per cent to pulp* suitable for newsprint.

Indeed, for the foreseeable future it will be cheaper for Wiggins Teape to buy chemical *pulp on the open market for its* fine paper mill at Fort William than to use pulp from its own neighbouring plant.

Pöyry's advice about the setting-up of a newsprint mill is interesting to the Government because newsprint has *traditionally been regarded as* a strategic commodity. At present the UK imports more than two-thirds of its needs.

However, Pöyry's advice *applies also to most other paper* companies in Europe and Scandinavia: indeed the consultants have *been advising* several Swedish companies of the advantage of replacing outdated sulphite mills with modern integrated newsprint production.

But because modern newsprint mills are so *large*—capable of producing up to 150,000 tonnes a year—*companies have to be cautious in* case new investment creates over-capacity. For this reason, the Finnish and Swedish Governments have been holding *informal talks to try to limit* new capacity to perhaps one mill between the two countries every three years. In the next three years substantial extra capacity will be built in Canada and the U.S., while in Europe, large new mills are planned in Norway, France, Holland, Germany, Spain, Finland and Sweden.

Demand for newsprint is expected to rise slowly, perhaps 3 *per cent a year, with* 18.5m tonnes forecast as the output of mills in the developed world in 1980.

Any further investment in the UK, therefore, would carry a considerable risk. A sufficiently large mill, probably costing about £100m, might produce say, 150,000 tonnes a year. *At this rate its output could re*place imports valued currently at £40m a year.

Maturing

Almost certainly, one of the two British newsprint producers, Reed or Bowater, would have to be involved, since Wiggins Teape concentrates on fine and special papers. However, neither Reed nor Bowater has been making much money on newsprint in the past few years, and the talk has been much *more of closing mills than open*ing new ones.

Beyond the market considerations, millions of trees in Scotland are *slowly maturing*: by the 1990s the annual production of Forestry Commission wood in Scotland will be three times its present volume of about 1m cubic metres.

The need to use this resource was emphasised by the Government in its subsidising of investment by Thames Board Mills, the Unilever subsidiary, in a new £83m board mill at Workington, Cumbria.

Probably the same long-term *considerations would support* the building of a newsprint mill at Fort William. However, it remains to find whether companies are prepared to take the risk, *whether* the very large capital sums can be provided, and ultimately whether the market exists for so much extra newsprint.

Consolidated Gold Fields' UK mining ventures under review

BY PAUL CHEESERIGHT

FIELDS, the London-based mining and industrial group, is *reviewing the future of* all its UK mineral ventures as part of a more general scrutiny of its domestic and international operations.

The review involves both alluvial tin prospects in Cornwall and Whitby Potash, whose application *for* planning permission to open a mine in the North York Moors National Park is now with Mr. Peter Shore, the Environment Secretary.

Since Mr. Rudolph Agnew became chief executive of the group last year, all operations have been examined as the start of what will be a continuing process of review. At the same time there has been a movement inside the group to devise a development strategy. This has meant that *while* UK mineral ventures have not exactly been put in cold storage, they have been held back to see whether they will fit into this strategy.

The biggest domestic mining venture the group is likely to undertake in the next few years is for potash in Yorkshire. It is now 14 months since a public inquiry started to examine Whitby Potash's application to mine and build a processing plant outside Whitby.

The report of the inquiry has been with Mr. Shore's depart-*ment for several* months, and Gold Fields says it is frustrated at the delay, which has been worsened by the election campaign.

Different

Should the *Government* eventually grant mining permission, Gold Fields will revise its feasibility studies against costs and market prospects and decide *whether to go ahead on its own*, seek a joint venturer, or put the project on ice.

In Cornwall, however, the situation is different. The failure of the Wheal Jane tin mine last year has made the group doubly cautious over domestic tin mining. It has a feasibility study on a prospect at Porkellis Moor, four-and-a-half miles north-east of Helston, but the deposit is thought to be not particularly attractive. Although tin prices have been consistently firm, their rise in real terms has been limited.

The results of drilling last year at Red Moor and Breney Common, neighbouring sites between Bodmin and St. Austell, were not sufficiently encouraging for the group to do any more work on them. Other possible exploration sites are being *considered*, but *no planning* permission has been sought for a drilling programme.

Elsewhere, Gold Fields has a gold exploration programme at *Gairloch in the Highlands of* Scotland. The results of preliminary drilling are being assessed, but the venture is at a very early stage.

S. Africans buy biggest pit machine

Financial Times Reporter

MINING SUPPLIES, the Doncaster machinery group, has broken into the South African equipment market with the sale of the world's largest face conveyor, *a machine* used in *underground* coal mining.

The conveyor, designed and built at the group's workshops, is being shipped to the South African Coal, Oil and Gas Corporation, which manufactures liquid fuel and chemicals from coal mined in its own pits.

The conveyor can handle 1,500 tons of coal an hour, as much as some collieries produce in a day. It is a linked chain, which is moved up against a coal face and collects material falling from a cutter/loader which moves along above it. The system is called longwall *mining*.

No price has been disclosed, but the sale is part of Mining Supplies' widening export trade. Mr. Arthur Snipe, the *chairman, is in the* U.S. preparing for the start of American Longwall Mining Corporation, a subsidiary set up to manufacture equipment for markets in the western hemisphere.

Mining Supplies last February *noted a marked increase in* the export of mining equipment, particularly to the U.S. and Canada.

South Africa *is* also a potentially valuable outlet. Its coal *production is running at about* 90m tonnes a year.

Mining Supplies had profits after tax of £562,000 in the six months to last February, against £158,000 in the same period of 1977-78.

Agents may be sued for not revealing fees

THE PRICE Commission is threatening to prosecute six estate agents for failing to fill in a questionnaire about their businesses. The agents could face fines of up to £1,000.

In addition the commission has given a further seven estate *agents until after the Easter* holiday to fill in their forms or they, too, could face prosecution.

The commission has ordered that the forms be completed under Section 15 of the 1973 Counter Inflation Act. It had sent forms to about 500 agents, selected at random, seeking details of their fees and profits over the past three years.

The commission said yesterday that 16 agents originally failed to *complete forms, but* three had since done so.

New factories in Telford

TELFORD Development Corporation let 14 factories in February and March and will let a further ten this month.

Fourteen new companies have been attracted to *Telford* and lettings will eventually create *more than 730 jobs*.

Almost 4m sq ft of factory and warehouse space has been completed and another 850,00 sq ft is being built.

RAF charity's spending up 36%

THE RAF Benevolent Fund has reported that it spent £2,023,322 on the relief of distress in 1978, an increase of 36 per cent on the previous year's total and the highest in its 60-years' history.

Air Europe studies jets for its long-haul flight plans

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIR EUROPE, the new UK airline, which this week took delivery of the first of five short-haul Boeing 737 jet airliners, is studying the possibility of buying wide-bodied, long-range jets for use by 1982.

The airline, formed recently *by Mr. Harry Goodman*, chairman of Intasun, the holiday tours organiser, starts fare-paying passenger services on May 4 with a flight to Palma, Majorca.

It has sold all its seats for 1979 and will carry over 250,000 passengers on more *than 2,100* round-trip flights between Gatwick and 29 destinations in Europe. It expects a turnover to exceed £10m this year.

The second of Air Europe's £30m fleet of five Boeing 737s is to be delivered in May, the third in June, and the remaining two in 1980.

Mr. Goodman said this week that the airline's top management, *including Mr. Martin* O'Regan, chief executive, and Mr. Errol Cossey, commercial director, was studying long-term expansion plans. These included more short-haul operations, which could increase the number of Boeing 737s and raise turnover to more than £26m a year by 1982-83.

At the same time, the airline was looking at long-haul flights to such destinations as the U.S., the *Caribbean, Singapore and* East Africa.

Mr. Goodman believes that increasing numbers of UK holiday-makers are likely to *travel farther* afield, and that Air Europe should procure some long-range, wide-bodied jets to enable them to do so.

All three wide-bodied jets are being studied—the Boeing 747 Jumbo, the Lockheed TriStar *and the McDonnell Douglas* DC-10—but Boeing 747s seem likely to be chosen because of their bigger load capacity and greater flexibility for Air Europe's plans.

● UK air traffic rose 7.8 per cent in February. A total of *nearly 2.3m passengers* moved through the seven airports owned by the British Airports Authority (Heathrow, Gatwick, Stansted, Prestwick, Glasgow, *Aberdeen and Edinburgh*).

Most of the traffic was accounted for by the three South-East airports, with Heathrow passenger traffic rising 3.5 *per cent to nearly 1.6m*, Gatwick's 28 per cent to nearly 400,000, and Stansted's 8.7 per cent to more than 17,100.

Coach terminal improvements

VICTORIA COACH terminal, London, is to be modernised over the next two to three years to ease congestion. It is used daily by about 150 National *Express services, running to all* parts of the country.

Mr. John Millard, general manager of Victoria Coach Station Ltd., a subsidiary of *the National Bus Company*, said: "We are planning increased passenger circulation and waiting areas."

Local government workforce rises

BY PAUL TAYLOR

THE NUMBER of local government employees in England and Wales is increasing. Official figures for the quarter ended December, 1978, *suggest that* the steady reduction in manpower since 1976 has been reversed.

Joint Manpower Watch figures, prepared by central Government and the local authority *associations, show* a 1.4 per cent increase in manpower last year. In December there were 1,722,939 full- and 937,396 part-time employees in local government, giving a full-time equivalent of 2,088,304.

The increase could embarrass the Conservative Party in the run-up to the general and local elections on May 3 since most local authorities are Conservative-controlled.

Local government *is highly* labour-intensive and the largest employer in the country. Any proposals to curb public expenditure would probably have to involve close examination of local authority spending and manning.

The Manpower Watch quarterly figures show that local government manning declined steadily from June, 1976, to June, 1978, but then began to rise.

Last December's figures, *excluding employees in the* job-creation and special temporary employment programmes, show increases of 14,447 over last September and of almost 30,000 over December, 1977.

The largest numerical increases on the yearly comparison are for teachers (8,106) and in the social services (5,419) but *proportionately the* recruitment of police cadets shows the largest increase (36.7 per cent).

The figures also reflect the planned 2 per cent real growth in local government current expenditure in 1979-80 envisaged in the Expenditure White Paper.

Perkins strikers win parity

SEVEN THOUSAND workers at the Perkins diesel engine plant at Peterborough have won their fight for pay parity. The management offered them a new deal within hours of their return to work after a five-day strike in which they took over the factory, barricaded the entrances and *locked out 3,000* administrative staff.

The pay package, which will be put to a mass meeting on Friday, gives average increases *of £14 a week.*

It includes rises on basic rates ranging from £8.89 to £11.25 a week for a 40-hour week, together with a further £4 a week from April 1 towards parity with Massey Ferguson group workers at Coventry. *There will be further parity* payments of £4 in 1980 and £2 in 1981.

The company said yesterday: "The trade union undertook to *report this offer* to the shop stewards' committee and the workforce."

An agreed definition of parity across Massey Ferguson-Perkins had yet to be finally determined but would be implemented by April 1, 1981.

New weekly *rates*, excluding the £4 parity payment and based on 40-hour day shift including attendance bonus, range from £94.20 to £75.10. On nightshift, again excluding the parity payment, the rates range from £124.26 to £98.80. The overall average increase on basic rates is about £14 a week.

Building trade workers reject 10% rise

By Our Labour Staff

UNIONS representing about 700,000 workers in building and civil engineering rejected yesterday what they estimated as a 9 to 10 per cent pay offer. They agreed to meet employers for further *talks* later this month.

Mr. George Henderson, national secretary of the construction and civil engineering group in the Transport and General Workers' Union, said that the offer was not high enough in terms of new money and widened differentials. *Other demands had not been* met, including a cut in the working week.

The unions, which include the Union of Construction, Allied *Trades and Technicians, say that* the employers are shortsighted in not paying high enough wages to retain a skilled labour force.

The revised offer gives a 10.63 *per cent increase in earnings to* craftsmen, to £66.60 a week, and a 9.2 per cent rise to general operatives, to £56.80.

Motorcycle sales rise

MOTORCYCLE AND moped registration figures for March show a strong sales recovery after the winter. Moped sales rose 46 per cent compared with last March and motorcycles — *well down on last year for the* first two months — were up 1 per cent. Total sales, including scooters, rose 7 per cent from 17,815 units to 19,088.

BL to meet unions as strike wavers

BY ALAN PIKE, LABOUR CORRESPONDENT

ENGINEERING union leaders will meet BL management next week in an urgent attempt to resolve the skilled workers' dispute and save the company's *national joint negotiating com*mittee from collapse.

Mr. Grenville Hawley, national automotive secretary of the Transport and General Workers' Union, warned earlier this week that the joint committee—which has spent two years *negotiating the introduction of* centralised bargaining and pay parity between car plants—was in danger of breaking up. This followed a decision by BL to *introduce parity on a plant-by-*plant basis.

However, the executive of the Confederation of Shipbuilding and Engineering Unions de*cided on Thursday to meet the* company before deciding on the committee's future. Lord Scanlon, president, said the confederation believed it was premature either for the committee to break up or for the company *unilaterally to introduce* matters which were not agreed.

He hoped it would be possible for the committee to reconvene but "it has got to be on a basis acceptable to all concerned."

On Wednesday BL's decision to go ahead with immediate *parity payments* at plants where productivity justifies this will be considered at a shop stewards' meeting in Birmingham.

The week-long strike by *between 3,000 and 4,000 skilled* workers over demands for parity and separate bargaining rights will be considered at next week's meeting between the confederation and BL, probably on Friday.

TUC agrees to closure of Bilston steel plant

IRON AND steel making has ended at the British Steel Corporation's plant at Bilston, Staffordshire, after an unsuccessful two-year fight by the workforce of 2,300 to keep it going.

The TUC steel committee has *decided not to back their* members' call for industrial action to prevent the closure. Instead, the union leaders issued a statement on Thursday saying they had reluctantly concluded that steps should now be taken to negotiate terms for *those affected.*

They are to meet British Steel at Bilston on May 1 to negotiate the closure and discuss the continued operation of the billet mill at the plant, which could save about 300 jobs.

As the TUC steel committee was agreeing to the closure at BSC headquarters in London, brickwork of the last remaining open-hearth furnace at Bilston collapsed.

Teachers may bar extras

BY ALAN PIKE, LABOUR CORRESPONDENT

LEADERS of the National Union of Teachers decided yesterday to recommend their members to "withdraw goodwill" after the Easter *holiday following* failure of negotiations on a claim for increases of up to 36.5 per cent.

The NUT executive unanimously decided upon the action. It will seek endorsement from *the union's annual* conference, which opens in Scarborough today.

If, as expected, the conference accepts the recommendation, it will result in teachers taking action during the run-up to the General Election.

A withdrawal of goodwill would involve teachers' refusing to supervise children at lunchtime, take part in voluntary out-of-school activities or use their own cars on school business.

Next week the conference of the other large teaching union, the National Association of Schoolmasters-Union of Women Teachers' opens in Eastbourne. *Delegates there are also likely* to vote for action.

The teaching unions have sought increases of up to 36.5 per cent to restore the value of the 1974 Houghton award, which linked teachers' pay to non-manual salaries elsewhere. A long series of negotiations in the Burnham Committee has *failed to produce agreement.*

In these talks the teaching unions have been offered, like other public-sector groups, 9 per cent plus a reference to the *Comparability Commission lead*ing to further phased increases in 1980 and 1981.

But after the last 13-hour negotiating session on Wednes*day it had still proved impos*sible for the two sides to agree on terms of reference to the commission.

Mr. Fred Jarvis, NUT general *secretary, accused the local* authority employers of failing to negotiate properly on the claim.

"I warned the employers on Wednesday that their attitude would cause great anger at the union's conference, and I am certain that this will prove to be the case, as the attitude of our executive shows."

The NUT says that the *activities from which members will be recommended to with*draw are normally performed by teachers on a basis of goodwill because of their professional commitment and concern.

Hopes of railway pay settlement growing

BY PAULINE CLARK, LABOUR STAFF

AN AMICABLE settlement in the railway pay talks seems likely next week. Negotiations on Thursday produced a new offer to Britain's 200,000 railwaymen of possibly up to 12 per cent with productivity. Final details are expected to be agreed with the three unions next *Thursday.*

Five hours of negotiations with the British Railways Board also appeared to have averted further confrontation between the *National Union of Railway*men and the Associated Society of Locomotive Engineers and Firemen (ASLEF) over the recent 5 per cent tribunal award *to train drivers.*

Various possibilities involving productivity agreements are believed to be under consideration, including prposals that *would go some way towards BR's* objective this year of losing about 2,000 jobs through natural wastage.

Mr. Sid Weighell, general secretary of the NUR, made clear only last Tuesday that he would not tolerate any costing of the 5 per cent tribunal award to ASLEF members against the new wage settlement.

Mr. Weighell, who said ahead of Thursday's meeting that he was anxious for a settlement before the General Election, described the pay *talks* as "going in the right direction."

Mr. Ray Buckton, general secretary of ASLEF, said he was "quite hopeful" and the BRB *was also optimistic about* a settlement.

The unions, which also include the Transport Salaried Staffs Association, representing white-collar workers, said they would report back to their executives in time *for* next week's meeting. Previously they had rejected a 6.38 per cent offer.

Engineers plan action if offer is not improved

UNION LEADERS in the engineering industry are preparing *to take industrial action* unless they gain an improved offer from employers on their national pay claim.

The Confederation of Shipbuilding and Engineering Union's executive is to seek an early meeting with Engineering Employers' Federation, if possible next week, at which it will demand an improvement on proposals to raise the basic craftsman's rate from £60 to £65 a week.

"If these discussions prove abortive the confederation will be recommending action," said Mr. Terry Duffy, president of the Amalgamated Union of Engineering Workers.

It has not been decided what form this action would take. The AUEW's policy-making national committee meets on Monday week. The confederation would be influenced by any decision taken there.

The unions seek minimum rates of £80 for skilled men with proportionate increases *for other grades.*

Under the industry's two-tier bargaining structure most workers' actual earnings are determined at plant level, but *national minimum rates* are used to calculate overtime and other premium payments.

SNP calls for more cover on television

BY RAY PERMAN, SCOTTISH CORRESPONDENT

TELEVISION news coverage and discussion of the election campaign could be substantially affected by a court action to be heard on Tuesday against the Independent Broadcasting Authority.

The Scottish National Party has asked the Court of Session in Edinburgh to ban the transmission in Scotland of all programmes which do not maintain a fair balance between the parties by including its views.

There was a preliminary hearing before Lord Avonside on Thursday, who adjourned the action until Tuesday to allow the IBA to be represented.

The SNP claims that, although Independent Television has a statutory obligation to maintain political balance, nationalist spokesmen are systematically excluded from national news and discussion programmes.

People in Scotland where the party won 30 per cent of the vote in 1974, are therefore not given a fair picture.

Mr. Stephen Maxwell, a vice-chairman of the SNP, said yesterday that although the action called for a transmission ban, the intention was to force Independent Television, particularly ITN, and companies like London Weekend, which produce current affairs programmes, to invite SNP spokesmen into discussion programmes and to report SNP Press conferences and meetings along with those of the main UK parties.

"Obviously, we are not asking to be included on every programme, but we should be included regularly, perhaps every second or third time. We think we should have regular coverage rather than it being an exceptional event," Mr. Maxwell said.

Although the action has been raised against the IBA, it is likely that if the judge did make a ruling it would also be followed by the BBC.

A precedent was set for a court intervening into political broadcasting by the successful action by Labour Party anti-devolutionists during the referendum campaign in February which prevented party political broadcasts.

The SNP has also launched its election manifesto under the title Return to Nationhood. It maintains that only the pressure of SNP votes can achieve equality of treatment for Scotland with the rest of the UK.

It calls for an oil revenue fund with an initial £1bn to increase investment in schools, hospitals, housing and welfare and it wants aid to industry increased via a strengthening of the Scottish Development Agency and the Highlands and Islands Development Board.

The manifesto also sets out the "need for self government" and the "democratic road to independence," for Scotland.

The Scottish Conservative Party manifesto calls for the repeal of the Scotland Act which would have set up a directly elected legislative assembly.

Despairing voters view all parties with suspicion

BY DAVID BELL

TWO MILES from Newcastle's impressive new shopping centre, four blocks of flats stand boarded up and empty. Grass is growing in the paving stones between them. Graffiti disfigures the walls and fire has left some roof timbers open to the sky.

But these are not part of the city's 19th century legacy of awful housing. They were built only 20 years ago and the council will be paying for them for the next 40 years. Sixteen blocks like them have already been torn down and they will almost surely follow.

Some of the houses built much more recently already have serious problems. Mould grows on the walls, window frames leak. The underfloor heating systems, installed without thought for the energy crisis, cost so much to run that, as one pensioner put it. "The choice this winter has been between eating and heating."

Newcastle Central, one of the smallest and poorest constituencies in Britain, knows all about housing policy. Three out of four of its homes are owned by the council, many of them built to replace slums created during Newcastle's 19th-century boom years.

For many residents, it has been the defects of this policy The new, repetitive estates, with tower blocks sprinkled among them, are loathed. But the loathing is passive and without rancour.

"People like us will always be down so we might as well make the best of it," said one tower block tenant.

The practical political consequence of this is that all three parties encounter a wall of disbelief. If the local council cannot even be persuaded to mend a roof, there is no optimism whatever that the national government can revitalise local industry, or bring new jobs or prevent closure.

Just outside the constituency, the Vickers plant on the Scotswood Road is threatened with closure. The talk is that Vickers, which once employed 25,000 people in its heavy engineering works in the city also wants to shut its other two Newcastle factories. Along the Tyne, thousands of shipyard jobs are threatened.

No-one believes that steel will be made at Consett for much longer—and more than 200 advance factories built by the government are empty, some of

them at the very gates of the shipyards.

Newcastle's unemployment rate is already twice the national average, but it is probably far higher in Newcastle Central. Most regional analysts hold out little hope that things will get better and most private predictions are that the city has not seen anything yet in terms of unemployment.

In Newcastle Central, Mr. Andrew Ellis, the Liberal candidate, has been working for the past five years to use the Liberals' brand of community politics to counter the obvious political alienation. In the by-election of 1976 he came second and there is talk of a repetition of the Liberal Edge Hill victory.

But despite his evident popularity it will be a hard battle. In 1976, the poll was only 39 per cent and the Liberals poured everything into the campaign. This time they are not so thick on the ground.

More important, Newcastle is apprehensive about the future. Tory talk of cuts in public spending causes real fear in a city where something like 40 per cent of the workforce is directly or indirectly dependent on the state for a job.

Indeed, Newcastle's unemployment rate would have been far worse if central and local government had not poured money into the area.

In Newcastle North, once among the safest Conservative seats in the North, the change in the nature of local employment has been one reason for a steady fall in the majority of Sir William Elliott, who has represented the constituency for the past 22 years.

At the last election, his majority was only 469—and since then the number of students, council house tenants and immigrants in his constituency has increased.

The Labour Party believes that this, and fear about public spending cuts, could be enough to tip the seat to Labour. It also hopes that the Liberal vote will be squeezed to its advantage.

But Mrs. Sue Ward, the Labour candidate, does not come from the area and is firmly on the Left of the party—two facts which the Conservatives are not slow to exploit. They also are hoping for a share of the Liberal vote.

There is, however, not much discernible enthusiasm for any of the parties among the electorate in the two constituencies.

What is cetrain is that few voters will believe what they hear on television about regional policy. Newcastle is a warm and friendly place which has worked very hard to turn itself into an attaractive regional centre.

Measured against U.S. cities like Cleveland or Detroit its city centre is a triumphant success. Its new Metro promises to be among the world's most advanced rapid transit systems. Its road, rail and air links give it easy access to the rest of the country.

Roger Taylor

Sir William Elliot, Tory MP for Newcastle North

Yet none of this has been enough to stop the steady haemorrhage of jobs. The city is very much a branch economy dependent on decisions made miles away. "They look on us as marginal capacity to be shut down when times are bad," said one trade unionist.

The Labour vote in the North-east will probably hold, but it will not do so enthusiastically. Mr. Callaghan's "crusade" sounds peculiarly hollow in Newcastle, but Mrs. Thatcher's public spending cuts sound ominous. And although the Liberal Party is admired, particularly for its TV image, it lacks political muscle in the region.

There are bright spots in the North-east. Washington New Town, for example, has succeeded in attracting new industry to the region. Mr. Harry Cowans, Labour candidate in Newcastle Central and MP for the constituency for the past two years, rightly argues that criticism of the housing policy is made with hindsight.

The drive to rehouse was surely begun with the best of intentions and living standards are far better than they were 30 years ago.

But that does not any longer mean much to voters in Newcastle Central. The promise of new housing, so bright 20 years ago, has gone sour. The new jobs promised by successive governments have not materialised and the best that the state seems able to offer is a holding action to prevent even greater unemployment.

It is a bleak picture. It used to be said that when Britain gets a cold, Newcastle gets influenza. But that aphorism has been recast. Now it runs — when Britain gets a cold, Newcastle gets pneumonia. The present fear is that it will be a long and lingering illness.

NEWCASTLE CENTRAL	
Electorate 23,880.	
Harry Cowans (Lab)	
Andrew Ellis (Lib)	
Piers Merchant (C)	
By-election November 5, 1976	
Cowans (Lab)	4,692
Ellis (Lib)	2,854
Sowler (C)	1,945
Hayes (SWP)	184
Anderson-Lynos (NF)	181
Labour majority	1,838
General Election October, 1974	
Short (Lab)	10,546
Faith (C)	2,432
Ellis (Lib)	1,716
Labour majority	8,114
NEWCASTLE NORTH	
Electorate 39,556.	
Sir William Elliott (C)	
Susan Ward (Lab)	
Christopher Marlowe (Lib)	
General Election, October, 1974	
Elliott (C)	11,217
Banks (Lab)	10,748
Herd (Lib)	4,189
Conservative majority	469

TUESDAY: Paddington profile.

Finance phone-in brawl averted

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE old bruiser and the challenger have met for the first time during the election and both have, so far, emerged largely unscathed with no winning blows.

It may have been because it was only the first round in a long fight. It may have been because it was Maundy Thursday. It may have been because the two old pros know the public does not like too many cuts or bruises so early in a contest.

In any event, the meeting of Mr. Denis Healey and Sir Geoffrey Howe on an LBC hour long phone-in programme was decidely low-key.

Indeed, the two men have seldom been as polite to each other during their many exchanges on the floor of the Commons in the past four years.

They even managed to agree on one subject—water rates—though it was not entirely clear about what they agreed. The radio suited Sir Geoffrey's quieter style and Mr. Healey was treating the occasion more like a drawing room discussion than the hustings.

Most of the programme involved a familiar exchange about respective records and promises. The main emphasis was on taxes, prices and public spending.

Mr. Healey developed what has now become a consistent theme of his election statements—Labour has safeguarded jobs and boosted manufacturing investment.

The Government has been the friend of industry as company taxes have been very low by international standards. At the same time income tax has been cut by £5bn in the last three years.

On the other hand, according to Mr. Healey, the only way in which the Tories could finance their promisesd tax cuts would be by making people worse off by raising indirect taxes and by cutting essential public services.

For his part, Sir Geoffrey promised a substantial reduction in the burden of income tax and said he would make a start in cutting both basic and higher rates in his first Budget.

Neither man was exactly keen to be any more specific about the extent of cuts in tax or changes in public spending implied by the manifestoes.

But Sir Geoffrey identified four areas where he believed "savings in public expenditure" could be achieved—cutting out the cost of socialism, such as land nationalisation; eliminating sheer waste in the public sector; changing the way money is spent on housing; and cutting back some industrial subsidies.

Mr. Healey defended industrial support since it had generated many new jobs.

Council row deferred

BY PAUL TAYLOR

THE Conservative-controlled local authority associations appear to have staved off an open rift over the Government's plans for local government reorganisation until after the general election.

The difference in views over the Government's plans for organic change—handing back some county council powers to the larger non-metropolitan district councils—came to a head last week when the Association of County Councils published its response to the proposals.

The counties have rejected the proposals, saying they are unnecessary and costly. However, the district councils broadly favour the changes.

Over the past few weeks, Conservative Party leaders have been involved in a series of backroom negotiations in an attempt to patch up the differences and the first formal meeting between the two associations took place this week.

It is understood that the associations agreed to refer the question of a joint approach to changes in planning responsibilities and on highways and traffic management to joint officers' group.

The group is not expected to report back to the association leaders until June 7—well after the local council and general elections.

Tories claim homes profit

BY PAUL TAYLOR

THE CONSERVATIVE administration at the Greater London Council is claiming a £30m profit on the sale of more than 5,900 council homes since the sales policy was adopted in 1977.

The timing of the announcement of the profit—which relates only to historical building costs—is widely seen as an attempt to bolster the Conservative Party's election manifesto pledge on council house sales in the face of continuing argument over the issue.

The figures were released in advance of a report to a joint meeting of the council's policy and resources and housing committees.

Since sales started almost two years ago, the GLC has completed sales on 5,965 properties, all but 872 of which were to sitting tenants. The remainder were vacant homes.

These homes cost £24m to build and receipts from sales, including discounts to tenants, have totalled £54m to date. However, the figures do not include allowances for loan charges

A further 2,632 sales are "in the pipeline," bringing the total sales close to the 10,000 target.

Since many of the homes already sold are older properties built when costs were lower and on which the loans have been repaid, it is difficult to assess the full meanings of the sales figures.

Unionists to run rival candidates

THE Official Unionist Party in Ulster yesterday confirmed that it would run candidates in three of the Province's constituencies where the threat of splitting the Unionist vote is strong.

In Fermanagh - South Tyrone, which has a marginal Roman Catholic majority, the party chose Mr. Raymond Ferguson, a local solicitor. Mr. Ernest Baird, United Ulster Unionist Party leader, is also standing.

In North Down, the seat held by Mr. Jim Kilfedder—who has cut himself adrift from the Unionist Party—Mr. Harry West's Official Unionists have selected Mr. Clifford Smyth, a one-time supporter of the Rev. Ian Paisley. Mr. Kilfedder is likely to retain the seat because of his large personal vote.

The Unionists also confirmed that Mr. Edwin Turner would contest the Mid-Ulster seat, which is the territory of Mr. John Dunlop, UUUP.

The Rev. Robert Bradford, Official Unionist MP for South Belfast, said it would be disastrous and selfish for his own party to oppose Mr. Dunlop.

He suggested talks between the two Unionist factions to agree a deal on Mid-Ulster and Fermanagh - South Tyrone. But Mr. West told him not to interfere in the affairs of other constituencies.

A FUTURE Conservative administration "represents the threat of the most socially divisive government which Britain has seen since the war, according to Mr. Michael Steed, President of the Liberal Party.

Addressing the Young Liberals' conference in Bournemouth yesterday, Mr. Steed said that the Conservatives were a divided party, but one dominated by "Mrs. Thatcher and her acolytes."

MR. RICHARD Wainwright, the Liberal's industrial spokesman, told a meeting in Oldham that talk of slashing public expenditure without an explanation of where the cuts would fall "insults the electorate."

Trade union policies which concentrated on the influence of the TUC with no firm proposals on shop-floor militancy "constitute an absurd assumption that voters do not listen to the news of the day."

THE Association of Scientific, Technical and Managerial Staffs has donated a further £50,000 to Labour's election fund, bringing its total contribution to £100,000.

Mr. Clive Jenkins, the union's general secretary, said that his national executive had decided to double the donation "because it views with great concern the effect of Conservative policies on Britain's unemployment levels."

The ASTMS contribution now matches the £100,000 which the National Union of Mineworkers' executive voted

Steel tries to balance UK seesaw

BY JOHN LLOYD

THE THEME of Mr. David Steel's campaign, conducted from a specially designed bus with "The Liberal Breakthrough" on its destination board, is summarised by the design of his campaign poster.

It shows Mr. Steel, looking purposefully out of a background on which the figures of two duellists—Mr. Callaghan and Mrs. Thatcher—are standing, pistols raised, back to back, ready to fight.

There is, says Mr. Steel (below) conflict and division running like a geological fault through our national life: and like a fault, it can and does give rise to eruptions and disasters.

In speech after speech on a gruelling schedule he hammers away at the instances of these divisions—between rich and poor, between the two sides of industry, between Labour and Tory.

"There are two health services," he has told audiences in Berwick, Blackpool and Chippenham, "a good one for those who can afford it, a second class one for those who can't." The same holds for education, and for housing.

In a number of his whistle-stops, he has recalled a recent visit to a "leading multinational," employing some 4,000 workers in the UK.

Giving a quite conscious imitation of Prince Charles' controversial critique of British management, he tells his audiences that he talked to the shop steward in a filthy room, and heard that the company was about to transfer a production line to its French subsidiary.

"Do you know how they learned of the move? They learned of it from their French colleagues. And later, in the luxurious boardroom, the company's directors told me that British industry was being ruined by Trotskyists."

Mr. Steel shakes his head sadly—but, following royal precedent, he refuses afterwards to name the company.

There is conflict and division, too, in the "see-saw of pay policies," brought in by one party, scrapped by the other, the effect being to fuel resentment and increase militancy — and breaches of those policies.

The see-saw continues in the state industries: British Steel Corporation was bled of investment while its owners expected it to be nationalised, bled again while the state expected it to be de-nationalised.

"Why can we not accept the fact of a mixed economy?" asks Mr. Steel.

A favourite anecdote concerns Mr. Steel's close friend, the late Professor John Mackintosh, the Scots Labour MP.

Professor Mackintosh had addressed two trade union audiences in one day—the first in West Germany, in a gleaming modern auditorium in a newly-built office block: the second in a cold, peeling room lit by a naked bulb in a Glasgow labour hall.

After he had finished the second address, a Glaswegian worker had stood and said—"It's all very well, this solidarity wi' our European comrades, John—but ye see, we dinna want to be brought doon tae their level."

But, says Mr. Steel, the British people know their level, and they know it is above that now existing in the UK.

"I don't know about other generations: but mine (Mr. Steel is 41) feels rather resentful that so much was sacrificed in the fight against Germany in the last war, and now they beat us so easily in the economic sphere."

Mr. Steel continues in the German vein, saying that his counterpart in the German liberal party, Hans Dietrich Genscher, pointed out to him that Britain had given Germany devolved government, worker participation and proportional representation—and taken none of them for itself.

The German point is his crucial one. For if a smaller German Liberal Party can hold the balance of power and help ensure stability and dynamism, could not the British Liberal Party do the same?

Mr. Steel's punchline is just this: that his party should be included in any future Government, for only with its participation can the country win.

"Edge Hill has shown that there is a generation which is sick of seeing Britain as a failure: a generation which wants success."

The message is thus one largely shorn of ideology—no longer Mr. Jo Grimond's "new radical party of the left," though Mr. Pardoe fondly exhumed the phrase in his North Cornwall constituency earlier this week.

Mr. David Steel, Liberal leader

Thatcher challenged on public sector pay

BY RICHARD EVANS, LOBBY EDITOR

THE PRIME Minister has challenged Mrs. Thatcher to withdraw a statement which he claimed implied a Tory Government would not necessarily implement pay rises for public sector employees agreed through the new Pay Commission.

Mr. Callaghan said in a campaign speech in Gloucestershire on Thursday that this new development represented "a serious threat to industrial peace" and could lead to a repetition of last winter's industrial unrest.

The clash between the party leaders followed comments by Mrs. Thatcher at her morning news conference at Conservative Central Office when she said cash settlements already agreed would be honoured but when the recommended amount was above the total of money available, economies would have to be made. But she did not specify where.

Speaking in the mining town of Cinderford in the Forest of Dean, Mr. Callaghan said the Government had created the new Pay Commission which, by agreement, would resolve the difficult question of comparing pay and reaching settlements in some public services.

But now the Tories were casting doubts on its value by suggesting they would reserve the right to reject the Commission's findings.

"Do they understand the implications of what they are saying? The Government has already given undertakings, which have been publicly accepted, that the findings will be honoured," Mr. Callaghan declared.

The Tories last night denied Mr. Callaghan's charges. Mr. James Prior, shadow employment spokesman, said Mrs. Thatcher had already made it clear that she will respect the Commission's recommendations.

"However, she also added that, as Mr. Healey explained recently in the Commons, offsetting economies might have to be made to finance them."

NEC selects three Newham candidates

BY JOHN LLOYD

LABOUR's National Executive Committee has presented its constituency party in Newham North-east with a choice of three candidates to fill the gap left earlier this week by the resignation of Mr. James Dickens.

The Newham party's general committee will meet on Tuesday night to choose between Mr. Richard Clements, the editor of Tribune, Mr. David Bryn Jones, a former industrial writer on the Daily Mirror; and Mr. Ronald Leighton, who took a leading part in the Common Market Safeguards Committee.

The NEC's campaign committee, moving rapidly to fill a possibly damaging vacuum, has thus reversed the normal procedure for selecting candidates, where the constituency party's choice is endorsed by the NEC.

Mr. Dickens resigned on Wednesday, after his election programme failed to gain unanimous backing from the Newham party's general committee.

Mr. Philip Bradbury, the constituency chairman and agent, said last night that Mr. Dickens had sought to "freeze the party's politics" by insisting that his programme was unanimously adopted

He did not believe that the resignation would have an adverse effect on the Labour Party's vote in Newham.

"We have had a lot of trouble here in recent years, but we received massive support in the local elections last year. We won six seats from the ratepayers, against the trend in local elections throughout the country."

The seat was previously held by Mr. Reg Prentice, a former Labour cabinet minister and now Conservative candidate for Daventry. Mr. Prentice was dismissed as MP by the Newham Party in 1976.

Mr. Bradbury would not comment on which of the candidates had emerged as favourite, though the belief yesterday was that Mr. Clements would be favourably regarded.

He has been editor of Tribune since 1961, and has been a member of the Labour Party for 30 years. He said last night that he had not previously stood as a candidate, but had "some experience of the Labour movement."

Manifestoes silent on mineral policies

By Paul Cheeseright

THERE IS much stress on economic health and industrial strategy in the manifestos of the main parties, but only a cursory glance at the raw materials of prosperity: mineral imports or local mineral production.

Traditionally, the UK has bought in minerals, added value to them and sold the finished product. Mineral imports last year cost about £2.75bn.

It is true, of course, that party treatises on cobalt supplies or patterns of copper investment would hardly win votes, but it is equally true that if a lack of minerals jeopardised jobs, then votes would be lost.

However, the matter assumes urgency because of the downturn in mining investment in recent years, especially as far as developing countries are concerned. This could lead to shortages of some minerals in the 1980s.

And the issue is compounded because of the growing fears about the interruption to supplies because of political instability, particularly in central and southern Africa.

A shudder went through Government and industry circles when Zairean cobalt supplies were hit last year.

Both the Labour Party and the Conservatives have been reluctant to address these linked issues directly.

While Labour has come out firmly against the South African economic connection—"we will take active steps to reduce our economic dependence"—it has not accepted the consequence of this policy by stating that encouragement should be given to mining groups to develop alternative sources of supply.

At stake are minerals like platinum, chrome, manganese and vanadium, all of which have high technology uses. In each case, South Africa is a major supplier to Europe, which would have to look to the Eastern bloc to make good any shortfall in deliveries.

The Conservatives do not mention South Africa at all, although Mr. Francis Pym made it clear last November that the party was against Western economic sanctions, partly because they would imperil access to the mineral reserves.

The importance of South Africa is that any reduction or curtailment in its supplies would exacerbate what could, in any case, be a difficult supply of minerals.

European mining companies have calculated that simply to maintain the flow of the main non-ferrous metals to Europe over the next decade demands an investment of $2.4bn a year. But during the 1960s and the early 1970s, investment was running at only about $400m a year.

Both parties commit themselves to aid programmes in the developing world in a general sense and seek the development of trade, but neither of them at this stage seems prepared actively to promote minerals ventures

Nor is there any commitment to the removal of exchange controls on direct mining investments.

THE WEEK IN THE MARKETS

Sterling at the summit

Just as the supposed hidden benefits of the three-day week have entered industrial mythology, so a four-day week does not seem to have done the stock market very much harm. Gilts have been generally buoyed up by the strength of sterling, and managed to recover their composure after a sudden markdown on Wednesday afternoon as sterling dropped 1½ cents when a jump in inflation, as measured by the Price Commission index, scared the foreign exchange market. Equities, meanwhile, have shrugged off their worries about export competitivity and advanced steadily to make up the ground lost in the previous week.

Hawker hesitates

For gilt-edged, the principal event of the week was the launching of the Bank of England's second tender tap. The issue was looking cheap on Wednesday morning, and was over-subscribed at £97.50, 50 pence above its minimum price, thus saving the authorities some embarrassment, and the taxpayer some £4m. It would not be surprising after this success to see the partly-paid tender with a minimum price institutionalised as the major means of selling Government debt. The new stock, Exchequer 11 per cent 1991, traded around par in partly-paid form on Thursday; the next call is not due until mid-May, well after the election.

Sterling's appreciation poses serious questions as to Hawker Siddeley's growth potential in the current year. Last year, exports and sales by overseas subsidiaries accounted for about two-thirds of the group's turnover and a somewhat larger proportion of profits. The market remains convinced of the group's long-term promise but prospects this year look to be rather flat in real terms.

Profits in 1978 grew by 24 per cent to £118m pre-tax and, taking in a 12 months contribution from Westinghouse and Carlton Industries, most forecasts for 1979 are ranging between £124m and £130m. Hawker, with full compensation for aerospace nationalisation, has largely done well in the takeover market. Onan in the U.S. and the Gardner automotive diesel acquisition performed strongly last year and the market will be waiting to see whether the two newcomers can make up for any downturn which might stem from an increase in competitive pressure in electrical engineering and diesels.

LONDON

ONLOOKER

Interest obviously centres on how Hawker invests its towering cash balances which stand currently at around £120m net. GEC, which has yet to receive the greater part of its compensation, was hinting at the end of the week that it may be tempted back into aerospace given the right opportunity, but the City is betting that Hawker would rather venture further into North America. Certainly, any chance of increasing the 37 per cent stake in Onan would be considered very seriously.

Wonder at Woollies

The news that Brascan was bidding $1.13bn, or $35 a share for F. W. Woolworth sent the shares of Woolworth's 52.7 per cent British subsidiary up 13p to 87p on the week. The market is hoping that a successful bid might bring changes in Woolworth's UK, which has a poor return on capital (especially since its properties were revalued) and an occasionally uneasy relationship with its parent.

Brascan would be very stretched financially if it did manage to buy Woolworth, and it could be tempted either to sell off its stake in the British subsidiary, or at least introduce a more dynamic management style.

But precisely because Brascan is at full stretch with its first bid, and Woolworth in the U.S. is making very hostile noises, the bid looks unlikely to succeed. This may leave the U.K. Woolworth shares a little vulnerable.

Smiths slip

W. H. Smith is a household name, and one of Britain's most successful retailers, so news of unchanged pre-tax profits of £20.2m in 1978-79 came as a nasty shock. From a peak of 205p at the beginning of the month the shares have fallen back to 173p, where they yield less than 3 per cent.

Given that retailers generally, have been enjoying one of the biggest consumer spending booms for a long time in 1978, W. H. Smith should have done well. Its important wholesaling side (it distributes a third of the country's newspapers) was hard hit by Fleet Street's troubles. In addition, it had to bear the burden of sharply higher depreciation charges.

A saintly EGM

Last Wednesday saw the last chapter of one of the most extraordinary Extraordinary General Meetings of recent times. As soon as Mr. Henry Hodding, chairman of Saint Piran, opened the meeting, adjourned from two weeks ago, a solicitor to dissident hareholders served writs on him and his two colleagues. Mr. Hodding told the 40 or so shareholders present that the business of the meeting had been concluded and that it was now closed. He and his colleagues stood up and left the hall amid voluble complaints from shareholders who wanted to ask some questions.

The Board, if indeed it is the Board since the writs maintain that it is not, has made a public relations gaffe which will not endear it to shareholders. But that is not the point. Underneath all the writs, smears and red-herrings, the point of the row at Saint Piran is concern about whether persons unknown control the company. If the dissidents cannot find out, and if the Board won't, then perhaps the Stock Exchange should take a hand.

MARKET HIGHLIGHTS OF THE WEEK

	Price Thursday	Change on Week	1979 High	1979 Low	
Ind. Ord. Index	541.9	+16.6	541.9	446.1	Selective investment demand
Govt. Secs. Index	75.84	+ 0.78	75.84	64.64	Buyers encouraged by sterling
A.B. Electronic	242	+20	242	152	Investment demand
Aberthaw	117	−14	142	115	Profits warning
Aurora	100	+ 9	100	83	Good preliminary figures
Bradwall	74	+11	74	57	Awaiting merger proposals
Eagle Star	168	+13	171	125	Better-than-expected results
Edwards (Louis C.)	63	+10	63	24	Disposal of loss-making division
Glaxo	515	−45	600	462	Disappointing int. results
GRE	276	+20	284	210	Better-than-expected results
Hambro Life	610	+95	610	385	Good results/share split
Hambros Bank	277	+37	277	173	Hambro Life's good figures
Keyser Ullmann	79	+10	79	40	Speculative demand
Minet Holdings	159	−29	194	154	Disappointing annual results
Pearl Assurance	298	+36	298	216	Firm Life issues
Perry (H.)	178	+28	178	107	Support ahead of results
Smith (W.H.) A.	173	−31	205	168	Profits standstill
Tricentrol	228	+34	228	148	Favourable Press mention
UDS	123	+13	123	85	£135m prop. revaluation surplus
Woolworth	86½	+12½	87	62	Brascan bid for U.S. parent

U.K. INDICES

Average week to	April 12	April 6	Mar. 30
FINANCIAL TIMES			
Govt. Secs.	75.69	75.05	74.42
Fixed Interest	76.93	76.29	75.09
Indust. Ord.	536.9	527.9	535.9
Gold Mines	142.2	148.7	157.0
Do (Ex $ pm)	115.4	120.1	123.3
Dealings mkt.	4,687	6,489	8,444
FT ACTUARIES			
Capital Gds.	272.77	268.35	272.29
Consumer (Durable)	247.06	241.61	245.45
Cons. (Non-Durable)	255.46	250.78	252.31
Ind. Group	258.82	255.52	258.60
500-Share	292.43	289.22	290.76
Financial Gp.	205.75	203.45	205.33
All-Share	268.12	265.12	267.04
Red. Debs.	59.98	59.18	57.67

TOP PERFORMING SECTORS IN FOUR WEEKS FROM MARCH 15

	% change
Breweries	+15.6
Insurance (Life)	+14.7
Entertainment, Catering	+14.5
Stores	+12.2
Lt. Electronics, Radio, TV	+11.4
Building Materials	+10.8
All-Share Index	+ 6.2
THE WORST PERFORMERS	
Engineering Contractors	− 0.3
Pharmaceutical Products	− 1.0
Textiles	− 1.8
Wines and Spirits	− 2.1
Insurance Brokers	− 2.6
Tobaccos	− 3.6

The glass of fashion and the mould of form

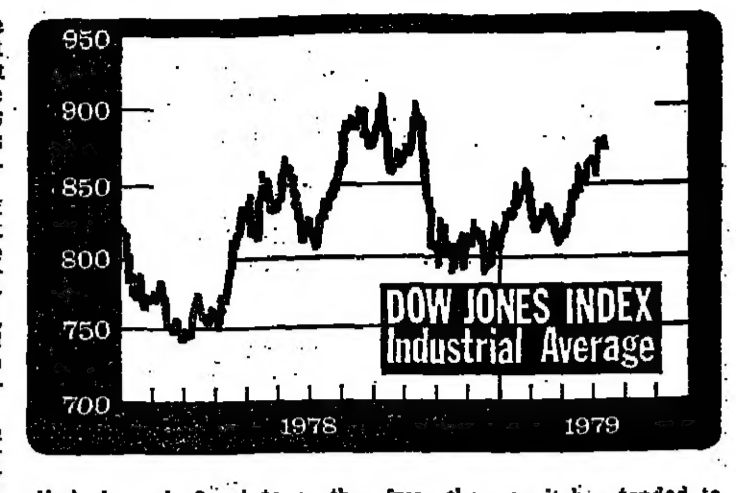
Stock market investors have again thumbed their noses at historical forces over the past few days, while at the same time ensuring that the week is marked in the history books as one dominated by two companies, Woolworth and IBM.

Mr. Arthur A. Merrill, of Merrill Analysis, won his first mention in this space on the Saturday before Easter last year because of his diligently analysed report that since 1897, the Dow Jones Industrial Average had risen in nearly two thirds of the sessions preceding Good Friday.

After the market had blown him a raspberry last year by falling 1.04 points the day before Good Friday, Mr. Merrill adjusted his figures slightly to tell the world this week that about 60 per cent of Maundy Thursdays had now yielded a market gain. Soon the Thursday before Easter will be as unpredictable as any other trading session for the market has again departed for its Easter vacation on a modestly falling note.

NEW YORK

JOHN WYLES



But not, it must be stressed, before having established a new high for the year on Tuesday in celebration of the pay settlement in the trucking industry which removed at least one possible cloud over the economy even if it raised another one, of which more below. It is possible that the Dow might even have been a point or two higher but for the fact that trading in one of its constituent stocks, F. W. Woolworth, had been suspended.

For those who have been looking elsewhere this week, Woolworth was the target on Monday for a $1.125bn, or $35 per share, proposed takeover by a Canadian holding company, Brascan Ltd. The New York Stock Exchange authorities decided it was appropriate to keep the stock on ice until after the Woolworth board had publicly responded to the bid after its meeting on Wednesday. The NYSE's caution may well not have been unconnected with its inquiries into the events of last week when the stock, which has not been a high-kicker for years, was heavily traded and climbed nearly 3 points, on the Composite tape.

Inability to trade the stock brought much muttering of oaths from brokers and a positive explosion of activity in the over-the-counter dealer market and on the regional exchanges which were less high-minded about allowing the Woolworth board to take a position unencumbered by market pressures. Woolworth reopened just before the closing bell on Wednesday by which time more than 1.4m of its shares had traded elsewhere that day with arbitrageurs busily taking speculative positions on a share price in the $31-32 range.

If Hamlet was temporarily absent from Elsinore, there was still a Polonius shedding blood behind the arras. The unlikely occupant of this role was IBM which slipped on the Composite tape this week from 318¾ to 311⅝. This stock has been performing very creditably in the market's advance this year, partly because it is to be split next month, and partly out of expectation that its earnings will climb from last year's $21.29 per share to around $25 in 1979.

On Wednesday, however, IBM sent a frisson through the market with a first quarter earnings report showing a 20 per cent increase in revenue but only a 13 per cent rise in income. Many analysts had expected earnings of up to 80 cents a share more than the $457 reported and there has been some quarrelsome barking between them as to whether IBM may disappoint its investors this year.

Putting that to one side, however, the market's loss on Wednesday does point to a rather more fragile state of mind than might be assumed from the way it has tended to turn a Nelsons eye to most troublesome news items recently. In the main corporate earnings in the first quarter are going to be good in comparison with the same period last year which was bedevilled by appalling weather and a miners' strike. But if the economy is softening and corporate profits are less impressive as the year goes on then true reaction to IBM's figures may well be a harbinger of more difficult times.

With Mr. Michael Blumenthal, the Treasury Secretary, publicly demanding this week measures to curb inflation and to cool the economy down, all eyes are now fixed on next Tuesday's meeting of the Federal Reserve Board's open market committee, which will decide whether to nudge short term interest rates upwards in the coming month.

Since economic activity is now unimpeded by a shutdown of the trucking industry, the betting is on the Fed making some move to firm monetary policy. In the short term, the market has probably discounted a raising of interest rates for the first time in four months, but with rates on long term corporate bonds already moving upwards, it will be interesting to see whether stocks can still retain the vigour which they have shown so far this year.

CLOSING PRICES

Monday	873.70	−1.99
Tuesday	878.72	+5.02
Wednesday	871.71	−7.01
Thursday	870.50	−1.21

Your Weekend £: Austria 28.70, Belgium 62.75, France 8.95, Italy 1725, Greece 73.75, Spain 140.25, Switz. 3.54, U.S. 2.08. Source: Thomas Cook.

FINANCE AND THE FAMILY 1

Release from a covenant

BY OUR LEGAL STAFF

I have for the past four years been making payment to a relative under a covenant "to pay such a weekly sum as after deduction of income tax therefrom will leave the clear weekly sum of £4.50 in the hands of the beneficiary." However my own tax rate for the current year has fallen solely within the new 25 per cent tax band. Do I state that I have deducted tax at 25 per cent instead of 33 per cent? What do you advise?

The total amount payable under your deed of covenant during the current tax year is

	Gross	33% tax	Net
	£	£	£
either:	349.25	115.25	234.00

or, if the payments fall due on Thursdays:

	Gross	33% tax	Net
	£	£	£
	355.97	117.47	238.50

The result will be that the top £349 (or £355) of your income will be taxable at 33 per cent, instead of 25 per cent. Possibly you may wish to invite your relative to execute a deed releasing you from your legal obligation to make the future weekly payments due under your covenant.

Loan to buy a house

My estate is left to my two sons, the younger of whom is just about to start work in London. Could I lend him the price of a house he wishes to buy, until such time as he can obtain a mortgage on a larger salary, when he could repay me? I am concerned about CTT my main preoccupation being that my younger son should not have to sell the house in order to pay it, and his brother's share, of my estate?

If the loan is made at a proper rate of interest your proposal should be satisfactory. If you do not charge interest, or take an artificially low rate this may be treated as an element of gift, but is still not likely to present too great a problem for Capital Transfer Tax. You may wish to make provision by will to release the loan; and in any event would be wise to consult a solicitor.

House sale to son

I am retired, though comfortably off, and own a house worth about £75,000. Our only son has an income taking him well into the higher tax brackets. We propose giving him about £25,000, he will raise a mortgage of about the same amount and, after making up the difference, will purchase the house, and my wife and I will live in it rent free. As I see it, this will release capital to us and give our son an improving asset. Do you see any objections?

We think that your proposal is an acceptable means of achieving your object. There is no reason why it should not be put into effect by a straight sale to your son on his obtaining a suitable mortgage advance, although there will of course be a considerable bill for stamp duty.

Bungalow in joint names

A husband by will left all his estate to his wife, including a bungalow on registered land in their joint names. What documents will the Land Registry need to transfer title to the widow?

The Death Certificate should suffice if the registration is not subject to a restriction for tenancy in common.

House transfer to joint names

(a) I have been considering the transfer of my house (registered property) into the joint names of my wife and myself. Can you suggest how I myself should set about it? (b) If I did not do this, but predeceased my wife to whom all my property is left, would her procedure be to obtain probate, pay off the mortgage and advise the Land Registry, and the Land Charges Registry?

(a) Your best course is to make a declaration of trust whereby you declare that you hold the property (describing it) on trust for yourself and your wife in equal shares; and later to appoint your wife a new trustee, the deed of appointment enabling her to be registered as a joint proprietor with you.
(b) Yes, but she would not be obliged to pay off the mortgage immediately; and there is no need to communicate with the Land Charges Registry.

Permission for an improvement

I hold a lease on a flat in a converted house. The rest of the tenants object to the fact that one of the four tenants proposes to add another room, which would necessitate breaking into main outside walls. A covenant in the leases forbids such alterations without the written permission of the landlord and such permission has been refused, but it seems the tenant has been told that in some circumstances he can proceed without the landlord's consent. Is this possible?

It might be possible for the landlord's refusal of permission to be nullified if the work for which permission is sought is an improvement (which it seems to be) as Section 19(2) of the Landlord and Tenant Act 1927 would apply. However, the landlord should be able to stand his ground on the basis of having refused consent because of other tenants' objections. In practice if the tenant who wishes to build offers an indemnity against damage to the structure the work is likely to be permitted.

Leases for seven years or more

When a lease for seven years or more is submitted to the Controller of Stamps for stamping it has to be accompanied by Form L(A) 451, which is sent on to the Inland Revenue. Would you please tell me what is the significance of the period of seven years? Do the Revenue use the information to alter the Gross and Rateable Values before the next quinquennial valuation? Is there any advantage in having a lease for less than seven years?

Different rates of duty apply to leases of seven years or less than are prescribed for leases of more than seven years. There is no particular reason for the choice of that length of term. The Revenue will be able to use the information on their form for rating valuation purposes. Not only does the term up to seven years in duration incur less stamp duty, it imports (for the tenants' protection) the landlords repairing covenants under Section 32 and 33 of the Housing Act 1961.

Trustees and personal tax liability

My father and I who are the sole beneficiaries of my late mother's estate, have agreed to apply it to charitable purposes, and meanwhile, have invested the money in a share account with a building society. We have given the title The . . . Memorial Fund and the society has named my father and I as trustees. We have received a dividend taxed at source, which we have paid back into the Fund. Is any tax due and if so, on what basis? Does the income earned by the Fund affect the trustees' personal tax liability?

You and your father seem to have got yourselves into a tax tangle. If you engaged the services of a solicitor in obtaining probate, then we suggest you ask hi mor her to help you sort out the position.

The . . . Memorial Fund has no legal status, and so the income belongs to you and your father (in whatever proportions your mother's will states) and is taxable at your respective top rates, in effect.

If you gave the building society staff the impression that The . . . Memorial Fund is a discretionary trust, covered by sections 16 and 17 of the Finance Act 1973, then they may unnecessarily have paid basic-rate tax in respect of the interest (instead of only composite-rate tax).

In tax—as in many legal matters—short cuts often lead only to the middle of a labyrinth, unfortunately.

If you do not wish to consult a solicitor (or other tax adviser), you may like to get in touch with the Charities Aid Foundation, 48 Pembury Road, Tonbridge, Kent, TN9 2JD.

A non resident's tax

I am non-resident for both tax and exchange control purposes and am working in the Seychelles. When I return to the UK later this year, will interest in dollar unit trusts in Switzerland and Jersey be classified as income from a continuing source and amenable to Schedule D income tax on a preceding year basis? Will foreign securities have to be sold, following my return?

The answer to your first question is yes, in principle, but much depends on the precise fact which you have in mind. You will find general guidance in two free booklets, which should be obtainable from the UK tax office to which you submitted your last tax return (or indeed any tax office):

IR1—Extra-statutory concessions (see, in particular, concessions A13 and D2);

IR20—Residents and non-residents: liability to UK tax.

No doubt you have looked at the Seychelles-UK double taxation agreement, as amended.

The answer to your second question is no. You can retain your "restricted" securities for as long as you wish.

Wife's personal allowance

Does the non-resident British wife of a U.S. national forfeit her personal allowance or is it possible to ask for separate assessment although all her income is "unearned"? The husband currently has no income. They live in Israel.

No section 27 relief (restricted personal reliefs) can be claimed by the wife (since her husband is not a citizen of either the Commonwealth, the Irish Republic or Israel), unless by chance her husband:

(i) has at some time been employed in the service of the Crown; or

(ii) is employed in the service of a UK missionary society; or

(iii) has previously resided in the UK, and is resident in Israel for the sake of his wife's health or his own.

Separate assessment (for 1979-1980 onwards) will not help, because section 39 (1) of the Taxes Act limits the couple's personal reliefs to the amount which they would be entitled to if they were assessed in the standard fashion. Unless they were married on April 6, however, the wife can claim section 27 relief for the whole of the year of marriage.

It is a pity you did not say what kinds of income you have in mind. The Israel-UK double taxation agreement of September 26, 1962, (as amended by the protocol of April 20, 1970) limits the rate of UK tax on interest, for example, paid to a resident of Israel to 15 per cent. No UK tax is, of course, deducted from dividends and, although the agreement does not (at present) provide for any payment of the imputed tax credit, the rate of directly assessed tax (e.g. investment income surcharge) is limited to 15 per cent of the actual dividends. Rental income is liable for unlimited UK tax, but the first £750 should be elegible for the reduced rate of 25 per cent.

In a local reference library, you should find a copy of the Israel-UK double taxation agreement in, for example, volume 5 of the British Tax Encyclopedia or volume F of Simon's Taxes.

You could also ask your local tax office for a copy of the free booklet (IR20) on the taxation of non-residents.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Rebuilding from the ground up

INSURANCE
JOHN PHILIP

LAST WEEK I mentioned an apparently curious legal decision where the Court of Appeal had confirmed insurers' right under a home buildings policy to pay not the cost of reinstating a cottage, but only its market value which was some thousands of pounds less, although premium had been paid for the former.

Briefly, there were facts that made this decision most justifiable—the owner had the building empty, trying to sell it and the cost of reinstatement was more than double the market value that the building would have had after reinstatement.

For the average home owner, of a modern, or even 1920-1930 house, the market sale value of his property will comprise the basic land value plus the cost of construction. When he properly insures for the cost of rebuilding from the ground up, he is not in any way at risk from insurers exercising their explicit policy option of deciding how to indemnify—by paying cash to the policyholder or by meeting the contractor's bills.

This being so, for such a home owner there is no question of his paying too much for his cover by insisting for reconstruction costs, no question of insurers, however justifiably, effecting a settlement which appears to be unrelated to the premium he has paid.

So these following thoughts are for anyone of the minority—admittedly a large number—who own an older property, with a low market value, who would face bills in excess of that value if his home were to be totally destroyed and then rebuilt from the ground up.

Commonsense dictates that if I have lost my home—worth only £25,000 including its supporting land—and if will cost about £40,000 to rebuild, then it is better for me to look around, find what other similar £25,000 houses there are in the locality, and then move.

This being so, why do insurers insist on my buying cover adequate for total reconstruction cost when it is in both our interests to settle for around £25,000? The answer lies partly in the method of premium calculation employed by almost all insurers throughout the British market, partly in the fact that total destruction claims are the exception rather than the commonplace.

Premium is charged at a rate on the sum insured—the majority of companies charge £1.25 per £1,000—though it is a well authenticated secret that many would like to raise this rate to £1.50, because of the adverse trading results they have had in recent years.

The premium fund collected by this rating process has to pay for only a handful of total destruction claims. The daily demand for home "buildings" protection is, for example, for damage caused by the kitchen fire, or by the thief who has smashed doors and windows to get in and out. Even now, with present day building costs, the average "buildings" claim is well under £500.

It is for this "run of the mill" claim that the majority of policyholders trouble their insurers—and as the major company accounts and chairmen's statements in recent years show, insufficient premium has been generated to enable insurers profitably to handle both these and the exceptional few total loss claims.

So if reconstruction cost were not to be the premium rating yardstick for the older house with a market value lower than reconstruction cost, then insurers would have to establish a different premium rate to apply to market value.

Because it would be charged on a smaller sum insured this rate would have to be higher than the present £1.25, in order to generate enough premium for the many partial damage claims that insurers have to meet on such houses. My guess is that insurers would need a rate of between £2 and £2.25 per £1,000 of market value on these older properties in order to break even.

Exceptionally there are some properties, both in town and country, of size or of age to attract a reconstruction bill of £100,000 or more, though having clearly lower market value. The owner of such a property might well say: "If my home is part damaged I want it repaired, but if it is very badly damaged or totally destroyed then I will rebuild something smaller in modern style."

Some insurers are prepared to make special terms for the policyholder who puts this kind of proposition to them. They will probably take some point between market value and reconstruction cost as the sum insured, charge their normal full rate on that sum, but fix the market value as the absolute maximum payment they will make. The policyholder is covered for the "run of the mill" small claim, but has to accept that he may have what insurers call a constructive total loss and have to move if, say, his sum insured is £75,000 and the cost of repairing his part-damaged home is around this figure.

I emphasise that *some* — and, therefore, not all — insurers are prepared to make this kind of special arrangement, and positively agree to take premium on something less than reconstruction cost. Those that are of course have their own under writing criteria.

But if you feel you have a home which demands exceptional treatment, why not ask insurers and see what they say? After all, you might be pleasantly surprised, and you are no worse off if your request is refused.

Some last-minute thoughts

EDUCATION
MICHAEL DIXON

NEVER BEFORE had I been invited to witness *two* country-bound Cabinet Ministers pausing at the last minute to lament the lack of educational opportunity for thousands of school-leavers. So the sight of Mrs. Shirley Williams and Mr. Albert Booth, the Secretaries of State for Education and for Employment, introducing the Government's final pre-election document, seemed too unusual to be missed.

On the other hand, the document, entitled *A Better Start in Working Life*, awoke in me certain misgivings. For one thing it argues that Britain should raise public spending on 16- to 18-year-old workers in emulation of Sweden and Germany whose "economies are already reaping the benefits of a better trained and educated workforce."

That might have impressed me a decade ago. But I have since heard numerous internationally reputed economists ruling that whatever factors might seem to explain why some countries have done better economically than others, expenditure on education and training is definitely not one of them.

Anothing misgiving was that long experience suggested a virtual certainty that a "consultative paper" with such a title, being introduced by that particular combination of Ministers, would have the basic purpose of increasing the spending-power of the Department of Education and Science and of the quasi-governmental Manpower Services Commission which notionally comes under the Employment Secretary. But duty being duty, I attended the introduction.

Experience proved right even though the paper's ostensible concern is the 200,000-plus youngsters who each year leave school and thereafter receive neither planned training nor further education. Hence the paper proposes the offering of short-term grants to employers to set up "traineeships" of three to 12 months' duration to provide for deprived youngsters in the 16-18 age group. These traineeships would be developed in conjunction with special "vocational preparation committees" to be formed by the Manpower Services Commission's industrial training Boards in collaboration with the Department of Education and Science. Q.E.D.

The main hope is that grants paid during the term of the traineeships, which would include a couple of days a week at college or otherwise off-the-job, would induce employers to make such provisions for about one third of the deprived 16-year-olds annually. But if that target were not achieved by 1982, then financial blandishment could be replaced by legislation.

The document suggests that this might enshrine "either an employee's right to vocational preparation or a compulsory attendance requirement enforceable on employees themselves; in each case there would be obligations on employers to release their employees."

Now this looked like a plan to face employers with the choice of being either bribed or forced to take on considerably more young workers than they thought they needed. So I put the question to Mr. Booth.

He agreed that in many instances the need to cover for youngsters away for off-the-job instruction; would have the effect of increasing the numbers employed. It was confirmed also that where the traineeships lasted six months or more, the trainees' positions would be secured by the Employment Protection Act.

So the plan is to saddle industry and commerce with the uneconomic burden of extra young workers in official hope that they will thereby be taught skills which, the document makes clear, could mostly be taught during 11 years of compulsory schooling.

From the governmental viewpoint, the scheme has advantages apart from that of employing more civil servants in keeping occupied more of the young people whose productive employment is presumably not foreseen by present industrial strategy. The proposals would also provide things to do for numerous further education teachers who might otherwise be rendered redundant as the 16-18 age group falls by 25 per cent between 1982 and 1992.

Moreover, the scheme allows Government to present itself as concerned about deprived 16-year-olds, without publicly facing the teachers' unions with evidence that many of their members are shamefully neglecting the life chances of just such young people.

If the wish were really to help children threatened with educational deprivation, the Government's last pre-election document for discussion would not have consisted of these casuistic proposals.

FINANCE AND THE FAMILY 2

The basic rules for an instant Budget

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

ASPIRING Chancellors of the Exchequer can promise to cut this tax or spending programme or increase that one with all the euphoria of the hustings during the next three weeks.

Indeed in theory, an incoming Chancellor can be supplied by the Treasury with as many combinations of measures or building blocks for a Budget as he or she, could wish.

But the options are rather less sweeping in practice. Leaving aside for the moment economic and monetary constraints, the need to prepare a full Budget within five or six weeks rules out any radical reforms of the tax structure. Even usually taciturn (and over-worked) Treasury and Inland Revenue officials might raise more than a murmur if a new Chancellor tried, say, to implement the proposals in the Meade report for changing the whole tax system.

So a new Chancellor would largely have to make do in his first Budget with changes in the existing tax structure and pattern of public spending. The accompanying tables provide some idea of where the money comes from and where it is spent.

The figures are not exactly comparable since only central Government revenue is shown (£43bn in 1978-79) and not local authority rates. Moreover the estimated revenue is for the financial year just ended and the ready reckoner of changes is for the same period. Up-to-date estimates for changes in the 1979-80 financial year would show somewhat larger figures. In some cases the increase might be of the order of a tenth but the adjustment is not proportionate and depends on the timing of changes.

The proposed level of public spending, as set out in last January's White Paper, is on the basis of 1978 survey prices, which means those ruling at the end of 1977. Consequently it is necessary to add on at least 10 to 15 per cent for current prices.

On the revenue side the most striking feature is the heavy dependence of central Government on income tax, even after the £5bn of tax cuts (partly adjustments for inflation) in the last three years, so loudly proclaimed by Mr. Healey in the last few days.

The proportion of total central Government revenue from income tax rose from just over 40 per cent in 1973-74 to more than 50 per cent in 1976-77 and down to just under 45 per cent in the financial year just ended.

This means that any cut in income tax affecting most taxpayers is very expensive in terms of lost revenue. A reduction in the basic rate from 33 to 30 per cent would probably cost over £1.2bn in the coming financial year and more in a full year when delayed payments under schedule D are taken into account.

The other complication is the way the rest of the tax base has altered. For instance, the corporation tax share in total revenue fell from 12½ per cent in 1973-74 to 7¾ per cent in 1976-77 before rising to 9¼ per cent (or about £4bn) in the last financial year. This reflects not only the squeeze on company profits in the mid-1970s but also the introduction of relief on the increase in value of stocks.

Some of the gap has been filled by a new tax—the national insurance surcharge paid by employers. This amounted to 4½ per cent of total revenue in 1978-79 (or £1.9bn) and has considerable appeal to the Treasury as a relatively easy way of raising a large amount of money. Moreover its unfavourable price and employment effects take time to work though. There is a strong suspicision that Mr. Healey intended to announce a further increase in the surcharge in his Budget-that-never-was on April 3.

The other main sources of revenue are Value Added Tax and the duties on specific quantities of oil, tobacco and alcohol. However, a sizeable increase in these indirect taxes is required to pay for a cut in income tax. A rise of a tenth in the specific duties would only pay for a 1½ point cut in the basic rate of income tax, while a one point increase in VAT would not even cover a one point cut in the basic rate.

There is also the problem that these indirect taxes are included in the retail price index. For instance increasing specific duties by 8½ per cent (the rate of inflation last year) and raising VAT from 8 to 10 per cent would boost the retail price index by 1½ per cent. This can be regarded as largely a statistical irritation—as it is by the Tories. People, it is argued, are prepared to put up with higher prices as a result of shifting the tax burden from direct to indirect taxes as long as take-home pay rises.

The options are also limited on the spending side. The classic study on the subject quoted one Whitehall Permanent Secretary as saying that 98 per cent of expenditure was committed well in advance and all he could do was to fiddle about at the margins.

This is partly a question of timing since there is an inevitable time lag between a decision to start or stop a project and implementation. A fair amount of expenditure is also committed because of legal requirements, notably most of the £15.8bn social security budget. In other areas such as defence, education and the health services, there are also firm commitments for any government, which may preclude large cuts.

This does not mean that there is no scope at all for quick spending cuts. In 1976 the present Government had three separate packages of expenditure measures. But in each case the main impact was on the next, rather than the current financial year.

It is possible to cut spending quickly by, for example, placing a moratorium on new construction contracts. But this has been criticised for producing an imbalance in spending between capital and current expenditure. Similarly it is possible to produce immediate savings through the sale of assets, such as the British Petroleum shares sold by the Government two years ago, or by transferring some financial transactions, like export credits, to the private sector.

Indeed the Tories have already made clear that they are looking for savings in this area, if they are elected, to bridge the gap before cuts in housing and industrial subsidies come into effect.

All this is, of course, divorced from the economic and monetary background. The major constraints on the freedom of manoeuvre of any Chancellor nowadays are the existence of a explicit target for the growth of the money supply, cash and bank accounts, and specified ceilings for public sector borrowing. This limits the extent to which taxes can be cut without also reducing public spending. So while the politicians may feel confident about being able to cut taxes, voters may soon discover—in the words of Professor Milton Friedman—that there is no such thing as a free lunch.

Economic policy rivals Healey, Pardoe and Howe, all in need of time as well as money for their plans.

READY RECKONER OF TAX CHANGES WITH ESTIMATED FULL YEAR COST OR YIELD IN 1978/79

	£m
Change on size of lower rate band by £250 (at present 25p on £750 of taxable income)	405
Change higher rate thresholds by £1,000	140
Change lower rate (now 25p in the pound) by 5p	875
Change basic rate (now 33p in the pound) by 1p	400
Change main rate of Corporation Tax (52p in the pound) by 1p	70
Change national insurance surcharge (now 3½ per cent) by one percentage point	600
VAT: 2 percentage point change in standard rate (now 8 per cent)	800
2½ percentage point change in higher rate (now 12½ per cent)	100
Change of 1p per pint in beer duty	100
Change of 1p in duty on average packet of 20 cigarettes	45

WHERE THE MONEY COMES FROM ESTIMATED FIGURES FOR 1978-79

	£m
Inland Revenue (including about £19bn for income tax and £3.9bn for corporation tax)	24,080
Customs and Excise	13,834
Vehicle Excise Duties	1,113
National Insurance Surcharge	1,914

PLANNED PUBLIC EXPENDITURE 1979/80 AT 1978 PRICES

	£m	Per head
Social Security	15,835	283
Education, Science and Arts	8,817	157
Health & Social Services	8,406	150
Defence	7.178	128
Housing	5,237	94
Trade, industry, energy and employment	3,192	57
Environmental services	3,122	56
Roads/transport	2,867	51
Law and Order	2,137	38
Northern Ireland	2,023	36
Overseas aid (including net contribution to EEC)	1,892	34
Government lending to nationalised industries	1,450	26
Common services (offices, stationery, etc.)	1,067	19
Other Public Services (Parliament, Civil Service)	918	16
Agriculture and Fishing	916	16
Contingency	800	14
TOTAL	65,856	
Debt Interest	2,300	41
TOTAL	68,156	1,217

SAVINGS AND INVESTMENTS 1

Many in secure jobs dream of working for themselves—but fear the pitfalls. Franchising can smooth the path, writes **David Churchill**

A life-line for the small man from big business

DO YOU sincerely want to be rich? *Do you want to work for yourself?* Or are you prepared to acquiesce for the rest of your life in some faceless employer reaping the profits from your efforts?

That is the choice that companies in the fast-growing business of franchising offer. Every week they encourage dozens of people from all walks of life to swop regular jobs and part with life-savings to work all hours of day and night selling take-away chicken or clearing blocked drains.

The attraction is that these jobs are self-employed. Franchising is a system that helps smooth the path for people setting up their own businesses.

The franchise company offers the would-be small businessman—the "franchisee"—essential know-how, equipment, materials and local rights to a nationally advertised trade-name.

The franchisee usually pays over a lump sum to start with and a continuing royalty which can be either a percentage of turnover or a surcharge on the cost of his basic supplies.

The royalty covers the cost of any further training, advice, administrative back-up and local and national advertising. The franchise company—the "franchisor"—is as keen as the franchisee that the new business does well since both their futures depend on it. Mutual dependence is the hall-mark of a good franchise operation.

There are now just over 1,900 so-called "second generation" franchise outlets in the UK and growth of 14 per cent is forecast for this year. "Second generation" franchises are those that most people usually associate with franchising—fast-food operations like Wimpy or Kentucky Fried Chicken or servicing firms such as Dyno-Rod or Servicemaster. The first generation franchise operations started in the 18th century in the UK with the brewers' tied houses and now include petrol stations, car distributorships and voluntary grocery groups.

Second generation franchising attracts everyone from frustrated executives to redundant factory workers.

The typical franchisee is male, aged 38, has had some previous business experience, is married with two children and his wife works in the business. He saved up to 90 per cent of the initial franchise fee with the cost of starting up in business usually financed by renting equipment and a bank loan.

If you are satisfied that you *have the motivation and the* capital, what sort of franchise will suit you? Do you want to work unsocial hours in a fast food outlet or be constantly on call for a service business such as drain-cleaning? Or would you prefer to work more normal hours in a retailing franchise such as printing or clothes hire?

The amount of capital available also influences choice: £5,000, for example, would probably only buy a low-cost franchise such as the Servicemaster domestic cleaning franchise; most fast-food outlets need at least £30,000, and a going concern could cost far more.

You need to check out a franchise company's standing before parting with any money. Here are some questions to ask:

- *Who is offering the franchise?* Do you trust the company's integrity, the ability of its management, and its financial stability. One guide to a franchisor's standing is whether it is a member of the British Franchise Association, set up in 1977 to improve standards and practice.
- How was the franchise offerd? The type of advertising is important: a box number that does not give the name of the company or spell out details in full may be a warning sign.
- What about the product or service? Has it been well-tested on the market and is it priced right? Is it in danger of being made obsolete by technological developments in the near future?
- Is the area you are given the rights for a good prospect?
- Is the contract fair? Consult a solicitor before signing anything.
- What help will the franchisor give you? *Will there be a full* back-up service to help you if things go wrong? How much administrative and advertising support will you get?

A typical franchise contract lasts for seven years but some are as short as three years, others run for 15. Some rust-proofing companies, however, only guarantee sole rights for three months although, at the other end of the scale, ice cream franchise is usually offered in perpetuity.

John Gooderham, chairman of the British Franchise Association, advises: "Don't sign papers or put up money until you have discussed the entire franchise offer with your solicitor, bank manager and family. *Ask for accounting records* to substantiate claims about the profitability of the enterprise. Check with a few franchisees operating more than a year under similar circumstances in your part of the country."

The association warns that some franchisors make exaggerated claims, charge too much for equipment or charge royalty payments out of proportion to sales volume.

The average initial cost of a franchise offered by an association member—according to a survey of the 23 member companies—is £7,600; but shop-fitting and other costs raise the average total start-up cost to *£15,000*. Start-up cost for a fast-food franchise averages more than £30,000.

The average royalty payment is 11.34 per cent of turnover, although rust-proofing and some fast-food companies do not collect a royalty but make their profits from the sale of raw materials.

About half of a franchisee's income is normally re-invested in the business, often in the form of promotion and investment in technical developments aimed at maintaining growth. And during the start-up period of a new franchise, you may find yourself ploughing back up to 85 per cent or more.

The usual tax benefits of self-employment are available to franchisees, a "perk" which can significantly increase the appeal.

Surprisingly, only one in a hundred franchises was terminated during 1978, with partings instigated as often by franchisees as by franchisors. The most common reasons for giving up were that the franchisee "proved to be a square peg in a round hole," or that initial profits were low because procedures had not been followed, or even emigration.

In no case did the franchisee lose his original investment since the franchise was bought back by the company concerned. Reputable franchise companies are usually as keen as their franchisees to ensure that franchise failures do not occur. The less reputable ones do not have the same worry about their image.

The British Franchise Association can be contacted at Ludgate House, 107 Fleet Street, London, E.C.4.

SERVICEMASTER

Servicemaster is one of the cheapest franchises to acquire, with the lowest costing only £1,890 although the average cost is £4,300. The company, which is U.S. owned, *specialises in the care and* cleaning of furnishings in the home or office. One of its advantages is that franchises can often work from home, thus cutting even further the overheads. Royalties are set at 10 per cent of turnover and the initial contract lasts for three years. Some 130 franchises should be in operation by the end of this year.

Kentucky Fried Chicken

Fast food franchises such as Kentucky Fried Chicken are the fastest growing and potentially one of the most lucrative of the various franchise operations. But they can also *be some of the most expensive* franchises to take up if the operation is bought as a going concern rather than started fresh. The minimum cost of a 10-year KFC franchise is £20,000, with the average cost around £30,000.

KFC is the largest *fast-food franchise* operation *in* the world with more than 5,000 outlets in over 40 countries. In the UK there are a total of 270 stores, 45 of which are company owned with the rest franchise operations. KFC charges a royalty of 4 per cent of turnover, plus a further 2 per cent royalty which goes into a separate advertising fund.

prontaprint

Prontaprint provides a high-speed printing and photocopying service to fill the gap between big printer and office copying or duplicating. The minimum cost of a franchise is £10,000, but the average cost is nearer £15,000. Royalties are 10 per cent and a contract is normally made for 10 years. Printing experience is not required as full training is offered. Some 150 franchised outlets are planned by the end of this year.

Ziebart VEHICLE RUSTPROOFING

Rustproofing is claimed to be the fastest growing sector of the motor industry and Ziebart is one of the largest companies operating on a franchise basis. A five-year contract has a minimum cost of £5,300 for the franchise, with an average cost closer to £6,000. Ziebart does not charge a royalty but instead franchisees have to buy the patented rust-proofing materials from Ziebart. There are some 115 Ziebart franchises at present.

DYNO-ROD

Dyno-Rod is the largest drain and pipe cleaning firm in the UK and Europe and its 60 UK service centres and 240 mobile units provide a comprehensive service. *New franchises* cost a minimum *of* £10,000 but these are scarce nowadays since the company, part of the Zockoll Group, has achieved a high degree of market penetration. An existing franchise can, therefore, cost anything up to £100,000 to buy as a *going concern*. The initial contract is for six years, with an option for 15. Royalties are set at the comparatively high level of 23 per cent although Dyno-Rod points out that it provides a more comprehensive back-up service *of* administration and advertising than other franchisors.

ELANDSRAND: 1,000 WORKERS GO HOME

Elandsrand, the new Anglo-American Corporation gold mine in Transvaal, was officially opened yesterday without incident, but 1,000 of the 4,500 black workforce have decided to terminate their contracts and return home.

Work stopped at the mine on Monday following a riot during which several thousand pounds worth of damage was done to buildings and furniture in the compound for migrant workers.

Access excess

ACCESS, CURRENTLY charging 2 per cent a month compared with 1¾ per cent at Barclaycard, must now have misgivings about its decision to raise its rate a few months ago.

CREDIT

TIM DICKSON

The disparity between the two big credit card rivals is even more pronounced on a true annualised basis—23.1 per cent at Barclaycard and 26.8 per cent at Access.

Access's January increase was made against the background of Bank of England Minimum Lending Rate (MLR) at 13 per cent and a gloomy outlook for interest rates generally. Now, after a peak of 14 per cent, MLR is down to 12 per cent and the general financial outlook has cheered up.

The worry for Access is that *about 800,000 of its cardholders* also have a Barclaycard. With increasing awareness of the interest rate differential these customers are likely to maintain as low a balance as possible with Access taking any extended credit they need on their Barclaycard. *And* customers who now have only Access may take out a Barclaycard as well.

Access, which has 3.7m card holders and boasts turnover of around £780m per year, claims its higher rates have not meant any fall-off in the average 40,000 new card holders it signs up each month.

Barclaycard, on the other hand, which picks up roughly the same number of new customers, reports a larger number of "defectors" from the five banks — National Westminster, Lloyds, Midland, Williams and Glyn's, and the Royal Bank of Scotland—which jointly own Access. Normally, says Barclaycard, 3,500 of each month's new card holders do not bank with Barclays but in the last two months this figure has almost doubled.

UNIT TRUST AND INSURANCE OFFERS

YOUR SAVINGS AND INVESTMENTS 2

Reading the balance sheet is the key to a business's finances but too few investors and managers have mastered the art. **Roger Boyes,** a newcomer to investment, tested two teach-yourself courses—and did some cost accounting

Guy's balancing act

GUY THE GORRILLA, former hero of Regent's Park Zoo, was in his early days given a variety of noisy, educational toys to shake him out of his intellectual torpor. They never really worked but it seemed a worthwhile effort at the time.

It was with a similar sense of expanding the frontiers of knowledge, that I was given two *guides to reading balance* sheets, one an audio-visual "system" and the other a teach-yourself book issued by the International Labour Office. Both have the unsurprising title: "How to read a *balance* sheet."

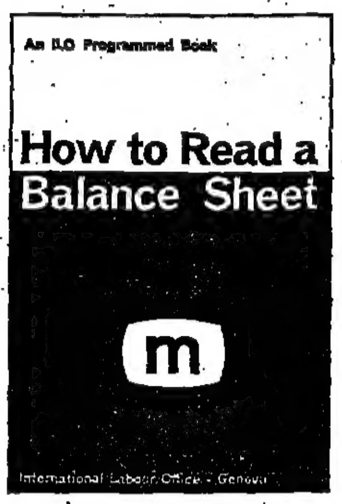
The audio-visual course (the *visual element is* confined to a thin booklet *of sample balance*-sheets) is about to be marketed by Blue Chip Music, a South African owned record company. It has its attractions: the narrator who guides us through the eight cassette tapes (each with two *sides* of 12 minutes) has the quiet authority of the Listen With Mother team.

The tapes are not, the makers insist, for casual listening and indeed all apart from the last session on the limitations of balance sheets need careful attention. The course is geared to (unspecified) "student activity" and according to the accompanying booklet, the benefit "will be in direct proportion to the participation rendered." But how does one "participate" in a cassette course apart from switching the recorder on and off?

This lack of effective feedback is one of the main flaws of the course. Without a comprehensive handbook, some of the most simple questions raised by the tapes remain *unanswered. I stumbled across* a particularly obscure passage in the sixth session on ratio analysis but however much I replayed the narrator's voice, the point eluded me. The Guy the Gorilla factor triumphed again.

In a classroom, of course, a teacher playing the tape can clear up the problem within seconds. But the tapes, like the ILO handbook, are clearly designed for the solitary executive or union official.

What is the philosophy underpinning this approach? Is it a matter of shame for executives not to be able to read a balance-sheet—a guilty secret to be shared only by close relatives? The ILO course is at pains to reassure students that they are normal, adjusted and even important people. The book is suitable, the ILO claims, "for individual reading by those dealing with industrial affairs at senior level in Government and industry."



ILO offering: class distinction

The ILO assurance is perhaps all the more necessary because it uses the so-called "programmed learning" techniques which often give the impression of stating the obvious with an child-like clarity.

The method consists of giving tiny capsules of information and then testing your comprehension by asking you to fill in a *blank space* in a subsequent statement. Example: If a company cannot meet its current *liabilities from its current assets* then it is not (blank)." Answer: "Liquid."

If you get it right, you move on. If you don't, you either cheat or read the previous sections again. This approach works particularly well when mathematical issues are involved. Understanding of these appears to depend on visual rather than aural recognition.

The ILO course has two other advantages: it builds in a testing element neglected by the audio system and it can be done at any time, absorbing odd minutes of leisure time.

The course can be completed in about 9.5 hours (though naturally the student can adjust the pace according to his needs)—that is, in a week of bus commuting to the City.

The audio method, however, sometimes has an edge over the ILO course.

The handbook for example splits up the units into subjects like assets, liabilities, solvency *and profitability but only skims* the surface of some key issues like the limitations of balance *sheets. This is dealt with* thoroughly by the audio course in the last session and its some*what chatty approach to the* subject pays off. The session builds on the Robert Townshend *proposition (first set out in his* book "Up the Organisation") that "the easiest way to do a *'snow' job on investors is to* change one factor in the accounting each month—then you can say that it is not comparable with last month or last year."

Guy the gorrilla would have taken the point. The acid test of the two systems is pricing: the audio course, which will be marketed this summer to Diners Club members, will cost approximately £50, while the ILO book costs £2 including postage. There is perhaps an undercurrent of class distinction here as the audio course is clearly intended mainly for private businessmen—who can presumably write off the cost against tax—and the ILO is aimed primarily at trade unionists. *Of the two methods, the ILO handbook must surely* win out in terms of cost-efficiency—it is a comprehensive guide to a complex art.

You can order it from the ILO at 87-91, New Bond Street, London W1Y 9LA.

Not so canny

INVESTORS IN "flexible" endowment *policies are paying a* high price for the luxury of not knowing their minds.

Flexible endowments are open-ended policies designed to be cashed-in any time after 10 years. They are ideal for savers who do not know in advance how long they will want to save.

The current cash-in values of *the first flexible policies.* launched in April 1969 by Scottish Provident, show a shortfall *of about 10 per cent on the* maturity values you could have had from investing instead in an *ordinary 10-year* endowment with the company.

An investor who paid £10 a month *before* tax relief for the past 10 years, for instance, would get just £1,494 if he cashed-in now. *If* he had invested instead in a 10-year straight endowment and was aged *30* at outset he would have a maturity value of £1,673. If he was aged 40 to start with he would get £1,666, and if he was aged 50, £1,631.

Thus the 30-year-old investor *is 10.7 per* cent worse off, the 40-year-old 10.3 per cent and the 50-year-old 8.4 per cent.

Apart from somewhat higher life cover, keeping your options open is the main advantage of *flexible plans.*

The history of flexible endowments is that 10 years ago the *unit-linked life insurance* companies were strongly challenging the traditional form of with-profits endowments. Endowments were under fire for being too rigid, whereas with a linked contract the investor could cash-in his units at any time without a surrender penalty.

The traditional life companies' answer was to launch flexible endowment policies. *These are* endowment policies designed to run to age 65 with options to cash-in at high guaranteed surrender values from the 10th policy anniversary onwards and the promise of bonuses on top.

The SPI plan was the result of the researches of John *MacLaren, now assistant* general manager and joint actuary. Friends Provident followed *with a similar* plan at the end of 1970 and Scottish Amicable a year later.

These plans were the answer to an insurance salesman's *prayer. They provided* the security and stability of with-profit contracts. And flexible *endowments paid much higher* commissions than the shorter fixed-term contracts.

No wonder they quickly became best sellers despite warnings by some commentators that the cost of flexibility was being glossed over.

Investors with a flexible endowment have to decide what is the best course of action. These are the options they have:

● Cash-in the contract and invest elsewhere.

● Stop paying premiums, make the policy paid-up and cash-in later.

● Continue premiums and cash-in later.

The table shows the estimated cash-in values for the next five policy anniversaries assuming it is paid up and premiums are continued.

If you make the policy paid-up, its value will increase on current bonus rates more or less evenly by 6.7 per cent net a year —not as much as you could earn with National Savings Certificates.

If you continue paying the *premiums the return on your* investment after five years will be 7.5 per cent net at least with the *chance of a slightly higher* return if bonuses are increased.

So the general advice would be to stick with this plan for as long as possible. The cost of flexibility does decline the longer a decision is made to defer a cash-in.

The moral of this exercise is to stop and think before taking out a flexible endowment. These contracts have a useful role to play in the product range of traditional life companies.

FLEXIBLE ENDOWMENTS: HOW YOUR MONEY BUILDS UP

The performance* of a flexible endowment started 10 years ago costing £10 a month before tax relief.

Policy anniversary	Cash-in value if policy made paid-up after 10 years £	Cash-in value if you continue paying premiums £
10th	1,494	1,494
11th	1,594	1,721
12th	1,698	1,959
13th	1,815	2,226
14th	1,938	2,507
15th	2,064	2,806

* Assuming current bonus rates.

Holding a basket of eggs

MINING

KENNETH MARSTON

EGGS tend to break easily and, as we all know, it doesn't do to have too many of them in one basket. Mining operations with a single major product, however, have little choice in the matter and life can thus be very difficult at times as South Africa's **Rustenburg Platinum** *found* in 1975 when market for its precious metal dropped on the floor.

Rustenburg reversed its previous expansion programme and cut its selling price to $155 per ounce. *Profits melted like the* spring snows and it was not until the latter part of 1977 that the metal market began to pick itself up again. A major factor in the recovery was the cessation of exports to the West of Soviet metal and this was followed by a rapid improvement in platinum demand.

The platinum market recovery has continued apace and this week Rustenburg has announced a half-year net profit of *R24.4m (£13.8m) compared* with only R300,000 a year ago when its platinum selling price was *$220. Today, the mine is quoting* a record $325 and prices on the free market are around $385.

The mine *is again expanding* production and it should be enjoying an even more buoyant second *half of its current year* to August 31. First-half earnings amounted to 19.8 cents per share and the year's *total* may well come out at above 45 cents. In which case the interim now declared of 5 cents could be followed by a final in the region of 10 cents or so.

Demand for platinum has never been better. The Japanese want it for jewellery, the Americans need *it for* anti-pollution devices on their automobiles and throughout the world there is a rising demand for it in other industrial applications.

Rustenburg says that demand continues to exceed production and reckons that it will stay this way, providing that the supply of Russian metal remains *at its present low levels.* Somehow, however, it all seems to be a little too good.

Nobody really knows precisely why the Soviet sales dried up, although there are plenty of theories. Equally, nobody expects the Russians to stay out of the market indefinitely and it remains to be seen how well their metal will be absorbed when supplies eventually return in force.

Nor is *it clear* how the market will *react* to any slowing of the U.S. economy, or to the recycling of used exhaust *catalysts from automobiles*—they last about two years—which will be starting in the *near future.* Against this, Chinese buying has begun to emerge after a long absence *and nobody is prepared* to be short of the metal, as the premium on spot supplies shows.

The *bulls of platinum* may well be right as may those of Rustenburg who are buying the *shares on a relatively* modest potential 1978-79 yield basis. But a touch of caution *may be advisable in the current* euphoria. "It's spooky," said one dealer who has spent a long time in this market.

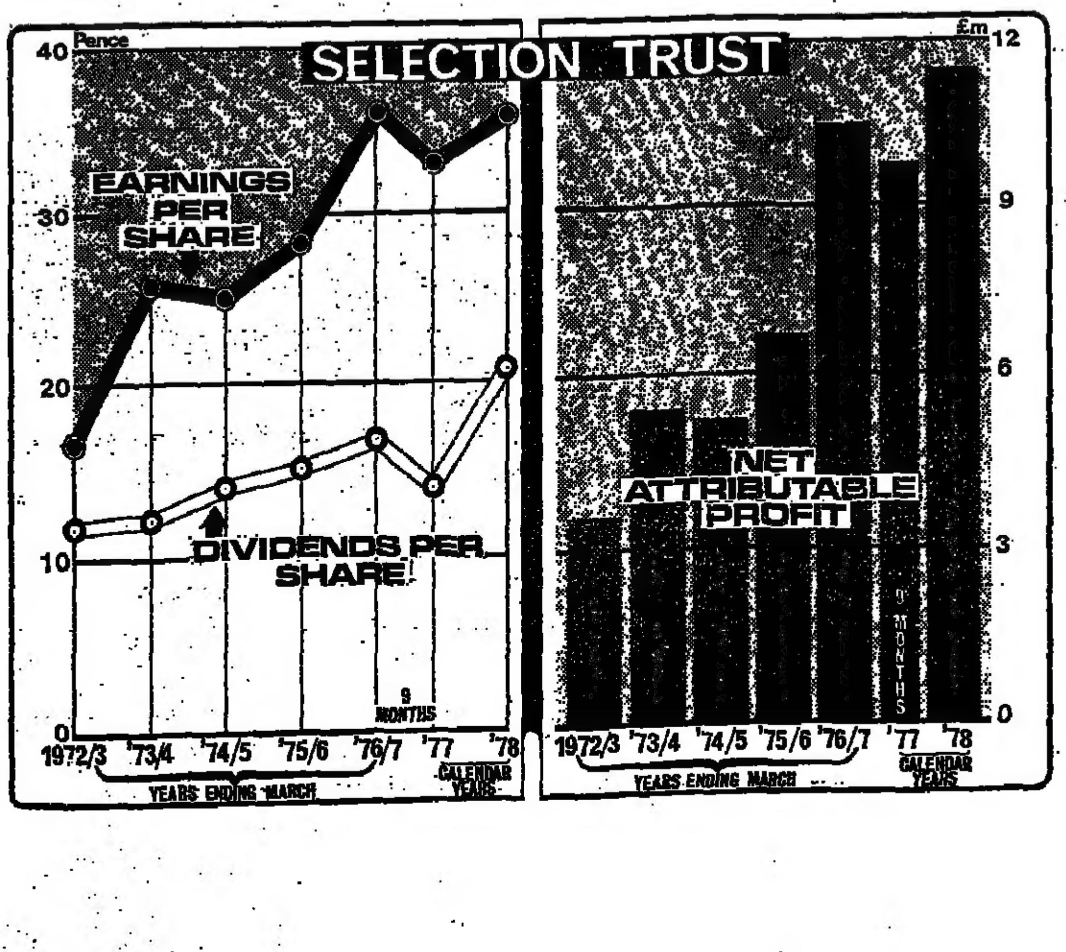
Another fragile basket of eggs is that stocked by South Africa's gold and uranium mines. Truly, these are gold-coated eggs as the continued rise in mine earnings and dividends shows. A further increase in the bullion price has been reflected in the March quarter profits announced by the mines in the **Consolidated Gold Fields** group this week.

Average bullion prices received by the mines vary in line with the timing of their sales and in the past quarter they have been running around $240 per ounce compared with $213 in the December quarter.

Now that the South African rand is no longer tied to the U.S. dollar it is better to think in terms of rand revenue and over the past quarter the average has risen by 7.7 per cent to R6,547 per kilogramme. Net profits have also been helped by the tax reductions in the recent South African budget and costs have been quite well contained.

The one-week strike of white miners in March has not affected production, but there has been a tendency to mine lower grade ore. In all, the latest profits are satisfactory rather than exciting. **Kloof** has done best with a profit of R14m (£7.9m) against R12.4m in the previous quarter.

The bullion price has been keeping up remarkably well despite the fact that the heat appears to have gone out of the international currency situation. It may well be that holders of gold still do not trust paper money, but a rather more cautious approach to gold shares may not come amiss for the time being.



London's **Selection Trust** mining and industrial group has reported earnings of £11.4m, or 35.8p per share, for the 12 months to December 31. Because of the company's change of accounting year, the previous period ran for only *nine months when net profits* amounted to £9.6m. The dividend total for the past year has been raised by the full permitted amount to 20.844p.

Against the background of rising prices for base-metals, Selection Trust is set to do *better in 1979. This should* underwrite the share price which tends to be above that for *similar issues,* partly because of the group's successful management and partly because of the *important 8.3 per cent holding* in America's **Amax** giant which is well poised to take advantage of the current revival in the prices of natural resource products.

● The **Rio Tinto-Zinc** group's big **Bougainville** copper-gold operation in Papua New Guinea is milling lower grade ore but expects to raise earnings this year thanks to higher metal prices. The retiring chairman, Sir Frank Espie, says that it may come into the higher tax bracket of 70 per cent which operates on profits of above K95*m* (£63.5m). Last year Bougainville's pre-tax profit was K70m.

● The Ashton diamond exploration venture in Western Australia, which is headed by **Conzinc Riotinto of Australia,** has tested more samples of surface material which were collected late last year before the onset of the wet season. Again, the results are of a multitude of tiny diamonds, averaging only one-tenth of a carat. Verdict: still encouraging, but the discovery of larger, better quality, stones is what is needed. These, however, are still early days and the proposed deeper drilling will be awaited with greater interest.

● Australia's **Pancontinental** has tried a new ploy in its efforts to overcome environmental objections and so make a start on bringing to production its big Jabiluka uranium deposit in the Northern Territory. It has suggested mining the find by underground methods rather than the open-pit *working originally proposed.* Advantages would include less unsightly above ground working and reduced levels of noise, dust and radon gas emanation. Disadvantages would be the higher operating costs, but there are no problem with such high grade ore. The ball is *now* in the environmentalists' court. Meanwhile at a year's low of 675p—compared with *last* year's high of £10¾—shares of Pancontinental could be a reasonable speculation.

PROPERTY

If you need to know the price you can't afford it

BY JUNE FIELD

IN THE CURRENT unpredictable property market, the irritating habit, although perhaps an understandable one, of putting "offers invited" on estate agents' particulars and advertisements is cropping up again.

I have been given several reasons for this in the past—either the agent and the vendor can't agree on an actual price to be asked, or neither really knows what valuation to put on the property, and want to wait and see what someone is prepared to pay, letting interested buyers compete against each other so as to get the best figure; or it is such a substantial place that if you need to know the price you can't afford it!

I was given another explanation recently—that some owners are shy of letting their neighbours know how much they hope to sell their house for. Understandable too, but as in the end all anyone has to do is to telephone an agent for a price guide, that ploy also seems to me to be particularly self-defeating—and time-wasting.

Another variation appeared on the information received this week of the handsome six-bedroom, four-bathroom Ringmer Park, in six acres with a swimming pool, in Lewes, Sussex, where "no asking price is being quoted, but Strutt and Parker consider the house and immediate grounds will realise a figure in the region of £150,000."

When there is such interest in a property that it is perhaps difficult to fix a price tag, for instance where it is position that people will pay for rather than the quality of the actual bricks and mortar, then most agents recommend that an auction is the best and fairest method of selling. "Particularly as a binding contract has to be signed, so getting rid of the frustrations of a drawn-out subject-to-contract period," pointed out one agent, while another admitted that giving a price guide can have its problems too. "If you put too high a figure on, it could frighten some people off, and one that turns out to be ridiculously low means everyone thinks you don't know how to value property properly!"

Prospective buyers at auction will need to have spent some money and time *before* they even consider a bid—fees for a survey (possibly both private and building society), solicitor's costs for making searches and all the vital pre-contract enquiries so that a contract can be signed there and then in the auction room. (Most would-be auction-buyers take their solicitor with them to a sale, and the legal adviser is often the one who actually bids). Absolute availability of funds is *de rigeur*—cash on tap to clear the 10 per cent deposit cheque to be written out immediately after the sale, and something in writing from a bank or building society that funds up to a certain amount are available to complete in 28 days. And after all this of course you may get pipped at the post by a higher bidder.

Radnor and Milford, a pair of 100-year-old semi-detached rather basic two-up and two-down cottages needing extensive renovation and *modernisation*, were *bid* up from £28,000 to £40,000 at an auction held last month by Paul Jackson of Lymington, Hampshire. But the cottages overlooked the Lymington River, and this was obviously what the purchaser from the Midlands was looking for. On the same day Mr. Jackson sold a ½-acre site with planning consent for a single-storey home at East Boldre, another sought-after area. Bidding began at £18,000 and the hammer fell at £29,500.

Says Mr. Jackson: "There is no doubt that the 50 people who came to the auction were greatly encouraged by the current political situation and buoyant stock market." But although he considers there could be a steady increase in house prices, as indeed there is currently, he doesn't think that the property market will react in quite such a dramatic way as the stock market.

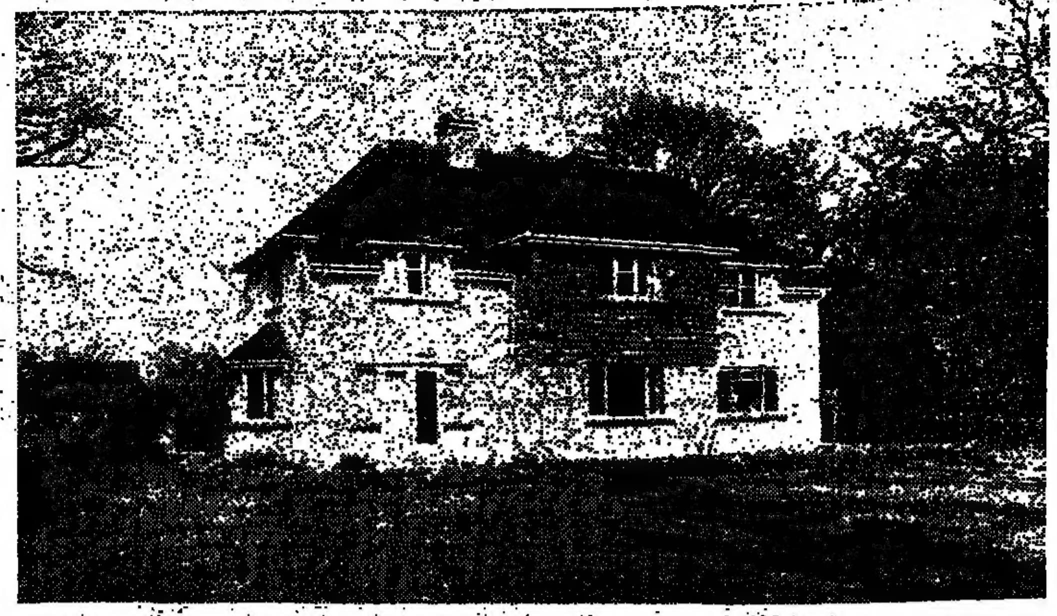
New Forest property always commands a premium, and an auction price guide of £65,000-£70,000 has been put on the four-bedroom Boscobel, Brockenhurst, in one acre with a cedarwood gardenroom used as a private office. At the other end of the village a three-bedroom cottage-style bungalow (£35-£40,000), goes under the hammer on the same day, May 9. Full details Paul Jackson, Jackson and Jackson, The House on the Quay, Lymington.

An impending auction can also speed up a sale; some owners will sell by private treaty before as long as they get a really worthwhile offer from someone who can go ahead with the legalities. Pearsons Trowbridge office tell me they have cancelled the auction of Parsonage Farm, Edington, as it has been sold for a figure in excess of their price guide of £30-£35,000; and David Goldin, partner at Fox and Son's Brighton office had arranged for an auction of 10 Roedean Crescent, Roedean, last week, but the house was disposed of just before the sale at £95,000.

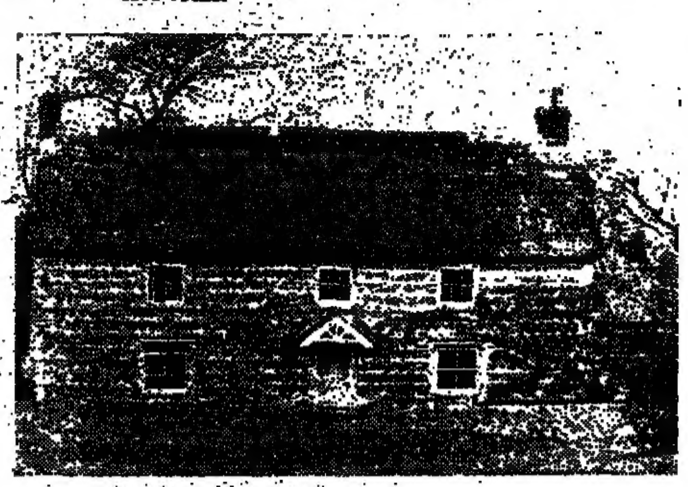
Going to aution on April 24, unless sold privately, is 16 East Heath Road, one of a pair of early Victorian houses in Hampstead village where it meets the Heath. It has 4 bedrooms, 2 bathrooms, and Hampton and Sons Hampstead office, 21 Heath Street, NW3, are inviting offers in the region of £110,000.

Period houses in North Yorkshire with garden and land usually meet with intense interest when offered for sale. One of the most popular areas is north of York, above the Vale of York, where the Wolds and Howardian Hills create some of the most attractive countryside in the area. One typically pretty village there is Thornton-le-Clay, and the auction on May 9 of The Old Brewery is expected to attract both local buyers and those from outside the area. The stone built 5-bedroom house, which needs modernising, derives its name from the former owners, the Christie family, who ran a private brewery in the village until after World War I. Outbuildings include the Old Brew House, as well as a barn, garage, workshop, garden store, productive orchard and paddock in just under 7 acres. The auctioneers, Jackson-Stops and Staff, 23 High Petergate, Yorks, are quoting a price guide in the region of £50,000.

Between the Quantocks and the Brendon Hills in a lovely unspoilt area of West Somerset, 12 miles from Taunton and the M5, the Yeovil office of Jackson-Stops and Staff are selling the secluded 17th century Northam Mill, Stogumber, in three acres, with riverside orchard and paddock. The three-bedroom Mill House has been well restored, and included in the sale is a self-contained three-bedroom flat, cleverly converted from an old barn a few years ago. Full details from the auctioneers, Jackson-Stops and Staff, 30, Hendford, Yeovil, Somerset, who have put a price guide of £60,000 on the property.



Boscobel, Brockenhurst, in the New Forest, a 4-bedroom house designed by local architect Hugh Wilkinson, has a price guide of £65-£70,000 on it if you want to try an offer before the auction on May 9. Details Paul Jackson, Jackson and Jackson, The House On The Quay, Lymington, Hampshire, Telephone 0590 75025.



Homanton House, Shrewton, a village on the edge of Salisbury Plain, dates from the 16th century. Comfortably modernised, with central heating, it has 5 bedrooms, 2 living rooms, studio, coach house, loose box, and various outbuildings in 2½ acres. The agents, Pearsons, 44 Castle Street, Salisbury, Wiltshire, expect it to fetch between £75-£80,000 when it goes to auction on May 10.

Going to auction on May 9 is The Old Brewery, Thornton-le-Clay, North Yorkshire, which gets its name from the Christie family who ran a private brewery in the village until after World War I. Included in the auction package which is expected to make in the region of £50,000, is the 5-bedroom house which needs modernising, the Old Brew House, a barn, workshops, orchard, paddock and just under 7 acres. Full details T. P. Blenkin, Jackson-Stops and Staff, 23 High Petergate, York.

PROPERTY

The New DATSUN Cherry

Cherry 3-door Hatchback GL

The quality economy car with the BIG difference!!

This New Cherry is no ordinary economy car.

Into one remarkable value-for-money package, Datsun have combined the advantages you want from low running costs and manoeuvrability, with the interior space and comfort you expect from a much bigger car.

With the sparkling New Cherry, you can enjoy the benefits of a car that runs economically—up to 47* m.p.g.—is light and compact for town driving, easy to park *and* comes at a small car price. And you don't have to give up comfort, roominess and a smooth, quiet ride!

Practical, versatile, chic, advanced, fun to drive—the New Cherry is all these things. And it is much more!

It has more space for adults, children, shopping and oddments. It has a rear seat that is wider and deeper than much more expensive cars like the V.W. Golf and Honda Accord.

And when it comes to equipment, the GL versions are more complete than you would expect even from a Datsun, with added luxury features to make your motoring a real pleasure.

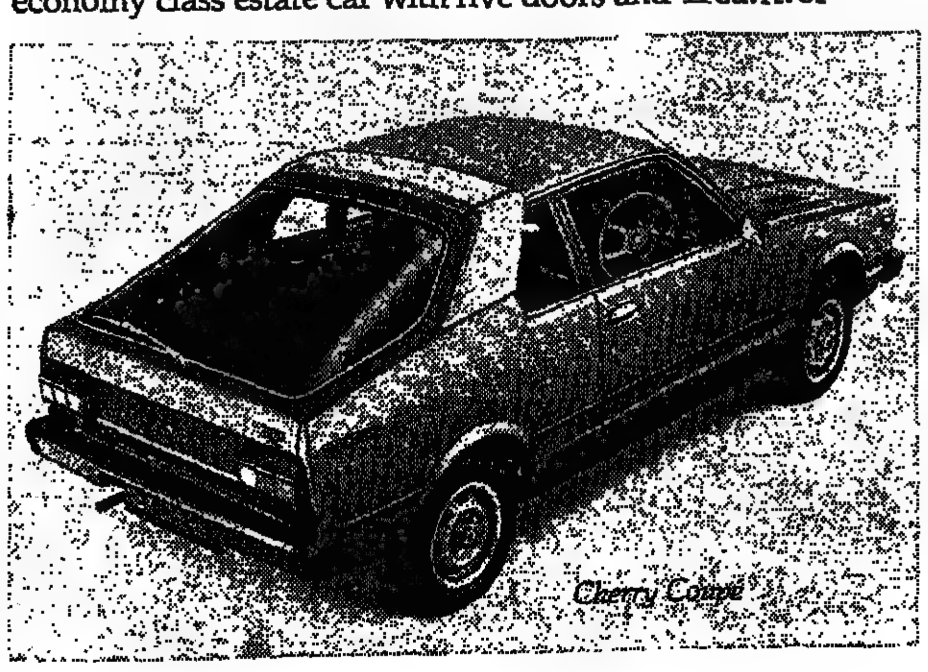
Unlike most economy cars, Datsun do not limit you to one basic shape. With the New Cherry you have a choice of four different body styles—3-door hatchback, 4-door saloon, a sporting coupé and a 5-door estate car. That's right—an economy class estate car with five doors and 41 cu. ft. of

Cherry 4-door Saloon

available space. And with a remarkably low loading level, much less than knee high, to greatly reduce loading and unloading effort.

The New Cherrys are technically advanced, front wheel drive cars designed for reliability with simple and low-cost maintenance. Yet, if the mood takes you, they will corner faster, and show greater stability at speed than other cars which have been praised for their road holding! The secret is in the safety engineering that has gone into the design of the outstanding New Cherry range.

* They have "negative scrub" front suspension for safe, straight line braking in emergencies and wider track for exceptional stability.
* They have power-assisted, diagonal-split, dual-circuit brakes for light and powerful braking, and a greatly increased window area with side window demisters for safe, all-round visibility.
* They have fully independent suspension and precise, rack and pinion steering. The Cherry hatchback, saloon and estate car all have the thoroughly reliable 1 litre Datsun Cherry engine with a light and easy-to-use 4-speed gearbox. The new Cherry coupé has a 1.2 litre engine with 5-speed gearbox for extra sporting performance.



Cherry Coupé

Already more than 150,000 motorists have bought Datsun Cherrys for their quality, economy, reliability and value for money. Now Datsun continue the tradition with the third generation New Cherry—a range of economy cars that offer you so much more at remarkable, value for money prices.

See them at your dealer now. There's no better way to economise in comfort!

Government Fuel Consumption Tests

	Miles per gallon/litres per 100km		
	Urban driving	Constant 56mph (90kmh)	Constant 75mph (120kmh)
Hatchback/Saloon	32.8/8.6	44.8/6.3	30.7/9.2
Estate	32.8/8.6	47.1/6.0	32.1/8.8
Coupé	34.4/8.2	47.1/6.0	31.7/8.9

Cherry 5-door Estate

Prices: Cherry 3-door Hatchback L £2596.85. Cherry 3-door Hatchback GL £2739.59. Cherry 4-door Saloon £2799.26. Cherry 5-door Estate £2996.99. Cherry Coupé £3165.47. Prices quoted include special car tax, VAT, inertia reel seat belts and driver's door mirror.

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LEISURE

Man and his animals

The rare European bison—"it's just a cow."

ADVERTISEMENTS IN the popular and provincial newspapers and in almost every Underground carriage in London are urging you this month to spend a day at London Zoo. Easter traditionally is when the season opens for zoos. Provided the weather is reasonably kind, the summer will bring over 2m visitors to London's two zoos at Regent's Park and Whipsnade; and altogether more than 18m to Britain's 120-odd zoos, bird gardens and safari parks.

Britain probably has more zoos per head of population than any other nation. The 1978 International Zoo Yearbook* lists 87 open to the public, in addition to which there are several dozen private collections of birds one can visit. In the Dangerous Wild Animals Act of 1976, a zoological garden is defined quite simply as "any place other than a circus or deer-park where wild animals not living in their natural surroundings are kept for the purpose of being exhibited to the public for gain." In other words, anyone who charges people to see his animals is running a zoo. As one London Zoo official commented ruefully, "It's come to be used for every collection down to the chap with a couple of dingoes in the backyard."

The large number of zoos in Britain are an embarrassment to many of the owners, for popular though zoos undoubtedly are their patrons are being spread too thinly. Only the Regent's Park Zoo in Britain has an annual "gate" exceeding 1m. It was 1.6m last year, a little lower than in 1977 and well below the 2.1m peak of 1965.

For comparison, West Germany has 51 zoos, nine of which had gates in 1977 exceeding 1m. Those of West Berlin and Frankfurt exceed 2m. Holland has 12 zoos, two with gates exceeding 1m. Sweden has 10 zoos, two with gates exceeding 1m. The USSR has 31 zoos, four with gates exceeding 1m. Spain has only seven, but Barcelona's claims 3m visitors and Madrid's another 1m. Japan has nearly as many zoos as Britain, 70, but the Ueno Zoological Gardens in Tokyo claimed 6.7m visitors in 1977. China has 37 zoos, but 7m visited the Peking Zoological Gardens in 1977.

The disparities cause much heart-searching—and wrangling—among zoo managements in the UK. A zoo is an anomalous business — an intellectual activity which relies heavily on the emotional appeal of a few animals for most of its revenue in Britain. "The bulk of the public are still gawpers rather than thinkers," says Mr. C. G. C. Rawlins, director of zoos at the Zoological Society of London, which runs London's two zoos.

The zoos which pull gates of 1m or more, and many much smaller ones too, are the public face of a serious scientific activity concerned with understanding, healing and breeding animals. To take a single example, if animals are reluctant to mate—and often they are—elaborate techniques may have to be worked out to persuade the male to oblige with a sample of semen so that females might be artificially impregnated.

But the majority of cash customers care little about the backroom boffins and what they get up to. They make demands which are often in conflict with the aims of research. They expect to see the big cats, for example. But lions are "zoologically unimportant," says Mr. Rawlins, and they cost £700-£800 a year each to feed.

"To do a proper scientific breeding job we need to keep a large number of any given species," says Mr. John Knowles, director of Marwell Zoological Gardens near Winchester, acclaimed as one of the best of the smaller zoos. Marwell specialises in ungulates (hoofed animals) and big cats. But its visitors often ask: "Why so many zebras—but no elephants?"

Many ungulates such as deer are among the species largely ignored by the public. London Zoo is proud of the work it has done in conserving the European bison, still a very rare beast. But most visitors scarcely give it a glance, merely commenting that "it's just a cow."

One criterion of public popularity is that the animal should be seen "doing something." Seals, for all the fuss made about their culling, are hopelessly unobliging in public and just lie around like big fat slugs. Another source of wonder is size, again an embarrassment to zoo managements since the larger mammals cost upwards of £1,000 a year each to keep. Rhinos (London has four) and elephants (4) cost as much as £1,500 each to feed. The more dangerous the species is believed to be, the more it excites curiosity—and of course the more it costs to keep it safely.

ZOOS

DAVID FISHLOCK

Sometimes, individual animals achieve that indefinable stellar quality in the public eye. London frankly admits that it has had no star attraction since the death of Guy the gorilla. It has hopes for two young gorillas and for its two giant pandas, which are popular but could become much more so if only they would start a family. At Twycross, another highly-rated small zoo in the Midlands, specialising in primates, the stars are the chimpanzees who help Brookbond sell tea.

At Marwell, John Knowles, a businessman with a deep love of animals, has discovered one way of stimulating public interest in the serious side of zoo-keeping. Public interest, he finds, is aroused by the news that a species is "endangered"—seriously at risk of becoming extinct in the wild. He has devised a dramatic sign—the skull of an anonymous ruminant painted on a black background—for his endangered species. "It makes people stop," he says. "Conservation is our primary aim but it's pointless unless it goes hand-in-hand with education."

The 1978 International Zoo Yearbook lists 65 "endangered species," among them certain species of orang-utan, tortoise, lemur, leopard, lion and tiger. Marwell specialises in two: the Siberian tiger and Przewalski's horse, an animal now believed to be extinct in its native Mongolia. There have been no sightings reported since the 1950s, whereas John Knowles has built up a breeding herd of 12.

Strangely, it is only in the last ten years or so that many wildlife conservationists have begun to take zoos seriously, as they began to recognise that pressure from humans was rapidly—and probably irreversibly—driving many species from their remaining natural habitats. The best zoos showed that by their success in breeding in captivity fewer animals needed to be caught. London estimates that 70 per cent of its animals at Regent's Park and 85 per cent of those at Whipsnade were born in captivity. Only about 1.5 per cent of fresh stock today comes from the wild—partly to offset the genetic risks of too much inbreeding.

In Britain, zoos divide fairly evenly between those doing a serious job and those which use animals merely as a way of attracting people for a day's entertainment. The "commercial" zoos vary widely, however, from Chessington, of which people pay tribute to the skill with which zoomanship has been combined with showmanship, to the kind of seaside zoo which sells off its stock at the end of each season.

New zoos of the serious kind anywhere in the world are themselves a rarity nowadays. But one new one is planned: a specialised collection of south-east Asian animals in Norfolk which is being put together by Mr. K. J. Sims, formerly associated with the National Zoo, Kuala Lumpur. A big new zoo, the Minnesota Zoological Gardens in Apple Valley, opened in the U.S. last year. It was paid for by the state. According to Mr. Rawlins, Americans are forecasting that it will be their last big zoo to be built this century.

The central problem for serious zoo management is how to reconcile their scientific objectives with public appeal and an adequate flow of cash. Abroad, as a rule, zoos are no more expected to pay their way than are museums and art galleries. Germany's "really magnificent zoos," to quote John Knowles, are heavily subsidised. Rotterdam's post-war zoo, with a gate in 1977 of 1.3m, is supported by the city as part of its cultural amenities. The US, with 186 public zoos, has only about three "commercial" zoos of any size. Many are free; the famous Bronx Zoo does not charge on several days a week.

In Britain, apart from two capital grants totaling less than £2m made to Regent's Park in 1964 and 1970—mostly used for the new lion terraces opened in 1976—zoos have received no government money. London Zoo has tried unsuccessfully to raise money for new capital projects to improve the presentation of some of its most popular exhibits. It reckons it needs about £5m to rehouse its birds of prey, the quarters of which date back to 1909. It would like another £5m to bring dolphins to London, following a very successful experimental exhibit at Whipsnade since 1972.

But most urgently, says Mr. Rawlins, it needs new quarters for its giant pandas, currently billeted upon the primates (where they can enjoy their climbing facilities). The pandas are perfectly healthy and visible "but for such valuable and interesting animals we could do better." He puts the price at around £500,000. Neither Government nor public has proved very obliging.

Not everyone thinks London Zoo strikes the right balance between its resources and its public appeal—"lousy zoomanship," says one well-known writer on animals; "more of a living museum than a zoo," says Major Walter Scott, secretary of the Universities Federation for Animal Welfare. Major Scott has a critical eye for standards of zoomanship in Britain. A few years ago his organisation made a "Which?-type" assessment of 100-odd zoos—to the chagrin of some of the commercial zoos. One of the principal targets of its ire, Bell Vue Zoo in Manchester, has since folded.

Major Scott rates Chester Zoo — which came close to 1m visitors in 1977—as "probably the best zoo in the country." But smaller zoos can be well-managed. He cites Mr. Jimmy Chipperfield, who runs safari parks in Britain (including Longleat), Spain and the U.S., as a man who knows how to reconcile public expectations with animal welfare. People want to see hoofed animals in what they fondly imagine is a natural setting — lush, grassy fields—but which in fact, is highly unnatural and leads to overgrown and deformed hooves. Jimmy Chipperfield combats this by regularly exercising his beasts on rough tracks out of view of the public.

How can those zoos which are not lucky enough to have a wealthy patron attract enough cash to improve their zoomanship? London Zoo has doubled its publicity budget this year, to £100,000. Dublin Zoo invites local industries to sponsor exhibits, leading to such whimsical signboards as "Storks sponsored by the manufacturers of Paddi Pads." At Marwell, which last year became a charitable trust, John Knowles has launched a scheme which invites people to "adopt" an animal, and pay its bed-and-board.

For only £20 one can adopt a parrot or a porcupine for a year: for £500 a giraffe.

An acknowledgment will be given, but no special right of access. So far the public has shown "a distinct preference" for the cats. Four of his famous Siberian tigers have already been adopted at £350 a year.

* International Zoo Yearbook 18, published by the Zoological Society of London, Regent's Park, London, NW1, £14.

Master plans

GOLF

BEN WRIGHT

AUGUSTA, GEORGIA — The situation is both familiar and unexpected. Familiar because the 43rd U.S. Masters at Augusta, Georgia, is being led by a strange name, followed closely by the big names. Unexpected because among the names closely in touch with leader Bruce Leitzke is that of Jack Nicklaus who, until this week begun, had the kind of problems more normally associated with the likes of, say, Bunky Henry or Stanton Altgelt and other lesser luminaries of the U.S. tour.

Nicklaus, by his own high standards, had problems in even hitting his own hat approaching the Masters. One round under par in his last 14 was hardly the stuff of a champion. Yet after the first round the position is that he lies two shots behind Leitzke's 67: one shot behind the 68s or Leonard Thompson, Tom Watson, Joe Inman and Ed Sneed.

No one now is saying that the Bear will not growl his way to his 16th professional major championship, although the fighting promises to be fierce. In addition to the players in front of him, Lou Graham, Craig Stadler, Andy Dean and Billy Casper share the 69 mark, the 1976 Master Ray Floyd is on 70 and the holder, Gary Player, is one shot more.

Nick Faldo and Peter Oosterhuis, in vastly differing fashions, both scored 73, whilst the amateur champion, Peter McEvoy, playing with Nicklaus, took a 79 which would more justly have been a 74 or 75. Every round, of coarse, could have been better but Nicklaus expressed himself very satisfied with his score of three under par.

"You always breathe a sigh of relief," he said, "when you have a good round of golf. Especially when you are not sure what you might shoot when you start out." Nicklaus birdied all four of the par fives, the first two being cancelled out by taking three from the edge of the ninth and eleventh holes.

The thirteenth was Nicklaus's one piece of luck in the round. He hit a poor one iron second which pitched just before the brook guarding the green, bounced over and enabled him to two-putt from something like 120 feet.

McEvoy was something of a disconsolate spectator to all this. Playing only his third medal round since October 18, he found that his touch on the greens was non-existent and that every indifferent shot was severely punished. He took seven at the fifteenth where his second finished behind a permanent scoreboard and he was given no relief, and the only pleasant aspect of it all was his eagle at the long eighth. He hit a three wood second to two feet and will take home, as a result, two engraved goblets.

The leader, Leitzke, is, as Henry Cooper would say, a big strong boy who hits the ball a very long way. The round was, he said, "an easy stroll in the park. I was never in trouble. It could have been a course record 64 if I had holed all the short putts." He two birdied all the long holes and his only mistake came at the 18th where he chipped to five feet and missed.

Tom Watson looms ominously. He claimed to have put together his score while not feling comfortable. "There have been times when I've played well and been at ease—but not today." He played the really tough holes, 10, 11 and 12, in two under par—"It was like stealing"—and might have led but for finding the lake at the long 15th. He tried to hit a six iron, which was not enough, and took six.

Andy Bean, a bigger, stronger boy even than Leitzke, fears nothing, up to and including alligators which, folklore has it, he wrestles with during his off-hours at his Florida home. He has a fearsome temperament, which at times has included biting the cover off the ball, but claims that it is improving all the time. "It's no secret," he says, "that I've gotten a little hot when I've hit a bad shot. But at least it shows that I want to win."

Oosterhuis, so often our only real hope at Augusta, admitted that his score was better than he deserved. He pitched and single-putted five times for pars and seemed set for a 72 when he pitched his third shot to 3 ft at the 18th. But his putt missed and he had to hole from 5 ft coming back.

Tom Watson

The greens were a bit like that. Faldo, for instance, was two under par and going well when he hit the ninth green in par, 30 feet above the hole. He barely started the ball in motion and saw it roll 35 feet past the hole and off the green. He dropped shots at the fourteenth and fifteenth, the latter by taking a five wood second which cleared the water in front of the green and ran unerringly into the water at the back.

Severiano Ballesteros had the kind of day, if not the kind of score, to which he is accustomed. His 72 included birdies at all the long holes and missed greens at all the short holes. Sevvy, one of the great scramblers of our time, failed three times to save his par at those short holes, but he is a long way from being out of the tournament.

Whatever wealth the Middle East may have produced in recent years, a wealth of growing greenery is not something that leaps quickly to mind. But is that image the right one?

Bringing the desert to life

GARDENING

ARTHUR HELLYER

THESE PAST few months the Arabian Gulf has been very much in the news but despite all the comings and goings and the hordes of visiting journalists no one seems to have reported the green revolution that is taking place in the United Arab Emirates. I had heard a few rumours, some patronisingly sceptical: "An impossible dream; trees in the desert, doomed to failure," so I went to see for myself. I conclude that the critics must have gone with their minds as well as their eyes shut.

For the green revolution, which is centred on Abu Dhabi but is fast spreading throughout the UAE, is an obvious success. Already Abu Dhabi, a boom town which has developed at an incredible rate, is full of trees, shrubs, flowering plants and grass that is really green and good. One could easily imagine oneself in a well established, well planned tourist resort on the French Riviera and not in a new, half completed town in the recently barren but now oil-rich Arabian Gulf.

The new, perfectly surfaced four-lane motorway which links Abu Dhabi with Al Ain 180 km inland is being embedded in so many trees and shrubs that in a few years it will look like an American parkway. The central reservation is already almost fully planted and the belts of trees on each side are rapidly knitting together until, I imagine, they will eventually form a continuous corridor of green through the otherwise barren desert. The plantations vary a great deal in depth and composition, in some places quite shallow belts of trees creating the effect of broad avenues, in others extending for several hundred metres into the desert and appearing more like incipient woodlands.

Of course most of them are still quite small. Few have been there for more than a year or so, some for only a matter of weeks. But there are older, more mature plantations to confound the sceptics who say that the experiment must fail. On the contrary they prove that, given the skill and determination necessary, both of which obviously exist in full measure, this vision must become a reality. The most advanced plantation on the Al Ain road is at Remah where there is a rest centre and the trees here are already six or seven metres high, their branches knitting together to create a green shade in which flowers bloom and grass grows.

The rate of success appears to be phenomenal, something like 95 per cent for the most heat tolerant species such as the date palm, the Arabian acacia and the Indian almond, Terminalia catappa, a handsome evergreen with leaves like those of a magnolia and bark almost as smooth as that of a crape myrtle.

The Capital Garden in the centre of Abu Dhabi. The growth of the plants seems to make the skyscrapers smaller.

A roundabout in Abu Dhabi—much of this planting is no more than two or three years old.

But the most convincing proof of all is in Abu Dhabi itself. The town is built on an island, really a huge sandbank separated from the mainland by a river-like stretch of water and seemingly composed of almost pure crushed shell. In neighbouring Sadiyat, where there is a thriving Arid Land Research Centre, I was told that this "soil" is 98 per cent calcium carbonate and that when crops are fed with nutrient solutions all the phosphoric acid quickly combines with the calcium to form rocks of insoluble calcium phospate. Having battled with this problem for nine years, and grown excellent crops despite it, the scientists now seem to have concluded that the best solution here is to abandon sand as a growing medium and use instead a modern system of pure hydroponics such as the nutrient film technique which is proving such a success in many glasshouse establishments in Britain. This is a method with so much potential that I will describe it in detail on another occasion.

In Abu Dhabi the sand must be used, though where trees or large shrubs are to be planted holes are dug out and filled with sweet sand which does not suffer the twin drawbacks of calcium excess and high salinity. For in Abu Dhabi if you dig a large hole it is likely to fill to within a metre of the surface with brackish water. It is a situation that would appear horticulturally impossible but results prove that it is not.

Already all the main streets in Abu Dhabi have wide central reservations filled with trees, shrubs, flowering plants and grass and every roundabout looks like a minature park. There are several large parks, the most beautiful of them the Capital Garden in the centre of the town. It is only three years old but would easily pass for a much greater age. Many of the trees begin to look mature, the beds are full of Madagascar periwinkles, marigolds, petunias and many other flowers, oleanders and bougainvilleas bloom and the grass would satisfy the superintendant of any London Royal park.

There is a municipal nursery on the outskirts of the town beside the children's park, in which a million and a half trees and shrubs are raised annually, most of them grown in containers. Anyone who has room for plants and is willing to look after them can have them free and this generosity is paying off handsomely. There are also a number of landscaping firms at work both here and in neighbouring Dubai and Sharjah including at least one from Britain, Blakedown Nurseries of Blakedown, Kidderminster. As a result the new villas, hotels and office blocks are landscaped almest before they are completed.

The secret of it all is, of course, water. In Abu Dhabi the sewage effluent is used, not purified to such an extent that it has lost all its nutrient value and specially piped to all the green places so that they can be watered daily. Much of the watering is done by hand but in the Capital Garden I saw batteries of impulse sprinklers at work. One wonders whether it would not be worth installing underground watering to prevent excessive loss by surface evaporation.

Out in the desert, along the Al Ain road, standpipes project from the sand every few kilometres and the black flexible trickle irrigation pipes snake along the roadside feeding each tree and bush with its life giving water. Some small trees are also provided with black polythene screens to break the force of the wind and the intensity of the sunlight.

The visionary behind this green revolution is Shaik Zayid bin Sultan, President of the UAE and Ruler of Abu Dhabi. Shaik Zayid was born at Al Ain and spent all his early years there. The place is a man made oasis drawing its water from the Jabal Hafit ridge by means of conduits tunnelled deep down in the sand. This oasis gave Shaik Zayid a lasting love for green plants and when the money flowed in from the oil much of it was spent on beautifying Al Ain, Abu Dhabi and the great highway that links them.

Nor did he neglect the commercial side. In addition to the research station at Sadiyat, set up with the aid of the University of Arizona, there are two more research stations in the Al Ain area, one run by a Japanese organisation the other by the French petroleum company, Total. Here the sand is excellent for a modified hydroponic system using trickle irrigation to supply water and nutrients. Tomatoes, cucumbers, capisicums, melons and marrows all thrive, and I also saw good crops of onions, potatoes and carrots. There was an experimental crop of broad beans looking very promising and another of dwarf beans less satisfactory though some varieties were obviously standing up to the conditions better than others.

HOW TO SPEND IT

by Lucia van der Post

Cushion, toy or sculpture?

I CERTAINLY haven't ever seen any cushions quite like these before. They're described as "cushion sculpture" and do seem like a cross between a cushion and something else—I'm not quite sure if I think it's sculpture or a toy.

It's a pity we can't print in full-colour for the colours are wonderfully bright, reflecting the sunny place they come from—Bangkok. All the cushions are hand-made and hand-finished; they are made from cotton and no two are identical.

The cushions are made by a group of hill tribe villagers, each working as part of a gigantic team. The whole village helps, from grandma down to tiny tots and while one family might be responsible for embroidering the expressive faces, another might make the tails, the feet or the fins. The multi-coloured fabric body "feathers" are machined in place, rather like paper darts. Each cushion goes through about 12 processes and takes many hours to put together.

The result is some of the most exuberant, happy design combinations possible.

The cushions are filled with purified kapok, which grows in Thailand. Kapok for those who are never quite sure what it is, is a pure vegetable fibre that grows on gaunt trees of up to 100 feet tall. It is one of the lightest, most resilient substances in the world, having six times the buoyancy of cork which is why, for instance, it is used for life jackets.

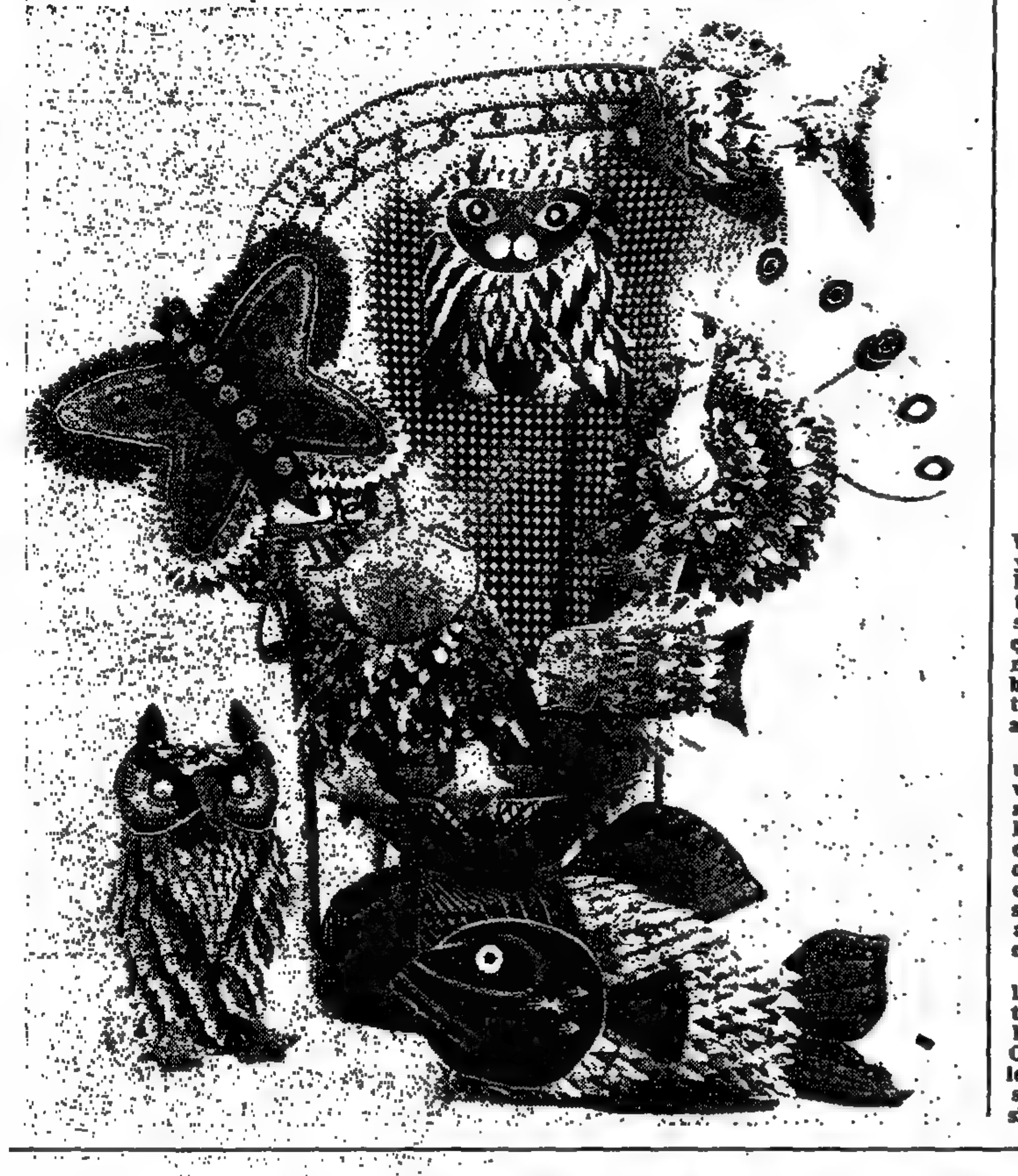
Each of the nine designs comes in a variety of colours but predominant throughout the range are red, pink, orange, turquoise, blue-grey, green, yellow and black. Sometimes colours are tone-on-tone, on other cushions between ten and 20 different plain and patterned fabrics can be used.

The designs, with their overall measurements, are as follows: Big Fish (30 in.), Peacock (25 in.), Butterfly (27 in.), Owl (23 in.), Cat (17 in.), Frog (19 in.), Duck (16 in.), Standing Lion (19 in.), British Lion (19 in.).

The cushions cost from £15 except for a miniature version, like a puppet, which can only be used as a kitchen glove and is £7.50.

Belinda Cox has personally imported the cushions and you can buy them directly from her—either telephone her on 01-937 2804 or write to Belinda Cox Designs, Cornwall House, Cornwall Gardens, London SW7.

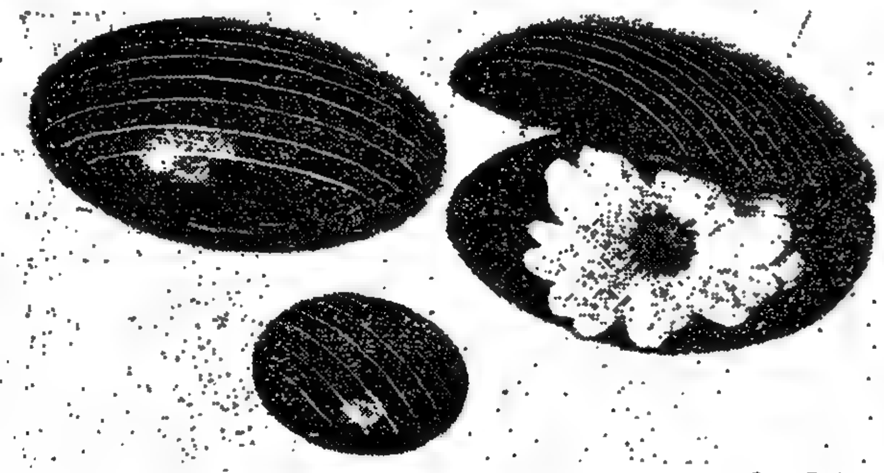
Belinda Cox also offers a personal selection service—gather some friends together and she will bring a selection of cushion sculptures to your home, providing it is within a two hour drive of London (she will have to charge for her petrol).



Easter Eggstra

IF you have forgotten an Easter present and are in London, Sylvia of 25 Beauchamp Place has some fine rosewood and brass eggs from India, and she will be open on Saturday from 10.30 to 5.30 pm. The brass is inlaid in fine stripes in the rosewood and the eggs make charming storage boxes—use them for jewellery, make-up, cuff-links, depending upon the size. The smallest box photographed measures 2½ ins across, the middle egg is 4 ins across and the largest 5½ ins. Prices are £4.95, £9.95 and £15.00 respectively.

If you like the eggs and don't have to have them for Easter, Sylvia is very happy to post them for 25p p+p for the smallest size and 35p p+p each for the two largest sizes.



Roger Taylor

Italian brio

WHEN MY children were younger and we were on holiday abroad I always used to marvel at the chic of the small French and Italian children. Our chain store numbers that looked so right back in England never seemed to have quite the same air about them when abroad.

English party clothes were usually very nice but it was when it came to day, beach and a certain kind of sporty look that the continental children's clothes knocked ours into a cocked hat. Our only consolation, and a considerable one, is that we pay an awful lot less for our clothes than they do.

Anybody longing for a little continental chic for their own offspring might like to go along to La Cicogna, where there is a collection of children's clothes, so stunning one longs to be pint-sized oneself.

La Cicogna opened a store last year at 193 Kensington High Street, London W8 and is about to open another at 6a Sloane Street, London SW1. The shop will mail clothes to out-of-London readers but there is no catalogue so readers themselves will have to negotiate with the store.

As you can see from the photograph, the clothes do have a distinctly different look about them. The young girl is wearing a fine ivory gaberdine pleated skirt (in sizes 5-11 years, £23.90), with a beige cotton jersey shirt (for ages 3-12, £15.20) and has a chestnut wool cardigan with insets of matching suede thrown casually over her shoulders (sizes 4-12 years, £24.55). The prices given are all for size 10.

The little boy is wearing cream cord dungarees (sizes 1-6 years, size 3, £14.35) with a green T-shirt (all sizes, £11.20). All or any of the clothes will be posted if you add an additional 75p.

Though it's the children's clothes that are the store's most outstanding plus point it also does maternity clothes, and offers a wide range of services — all related to children, of course. They'll organise baby-sitting, arrange children's parties, book the entertaining, make theatre reservations, set up children's photography. This sounds quite a lot for a shop that is really selling children's clothes but apparently in Rome they run a football league for schoolboys as well.

Handed down

ALONG WITH cinched waists, straight skirts, and little hats, gloves are in the fashion news again this season—in a way they have not been for well over a decade.

Not exactly a new fashion accessory — they have been around since the days of ancient Greece and Rome — the re-emergence of the glove coincides happily with an exhibition at Worthing Museum on now until 5th May.

Exhibits range from the early 17th century to the present day, and come from various sources including the Spence Collection of the Worshipful Company of Glovers, the Victoria and Albert Museum, the archive collection of Dent-Fownes, the costume museums of Bath, Manchester and Nottingham, augmented by the Worthing Museum's own collection.

Extravagantly decorated gloves from the 17th and 18th centuries are on view. One of the earliest exhibits is a pair of gentlemen's embroidered kid gauntlets of 1620; six medallions above each lace cuff depict a pastoral scene: silk embroidered motifs and points decorate the whole.

White kid wedding gloves of 1735 bear an attractive inset of silver lace, a discreetly concealed tag revealing the name of the bride as Mrs. Wyndham of Stanton in Wiltshire.

At the other end of the spectrum is a pair of late-19th century black kid full-length mourning gloves, shown with a sleeve of black chiffon.

The shaped glove, an early example of which is on view at the exhibition, became generally available during the reign of George IV (1820-30); in 1834 glove-making became a flourishing industry when Xavier Jouvin of Grenoble invented the cutting die, making possible a glove of precise fit. The fitting was so tight in some cases, however, that French chalk was needed to ease the glove over the hand, a time-consuming exercise which seems to have enhanced the mystique associated with wearing or carrying of gloves.

There are hand-painted suede gloves from the late-19th century and printed lace-effect gloves of about the same period; Victorian children's and dolls' gloves, too, all reflect the same dedicated regard for detail and a perfection of craftsmanship which is common to all.

One pair of knitted silk ecclesiastical gloves has open finger tips for the purposes of anointment while a pair of full-length silk gloves designed for Queen Victoria's Diamond Jubilee hold court with a double-arm-length pair of gaudy blue which were worn by an Edwardian music hall artiste.

Among some of the most beautifully designed models are the 1930 reproductions of 17th century leather gloves with embellishments which appear to rival the authentic article.

It was during the 17th century that scented leather gloves—or "sweet gloves" as they became known—were imported from Spain. They were considered ideal as presents, especially at Twelfth Night, but they were only carried, never worn.

The practice of wearing gloves, of course, is almost as old as the civilised world itself; some were found in the tomb of Tutankhamen (circa 1350 BC) while, according to Xenophon, the Persians wore long thick sleeves with coverings for the fingers.

Although gloves are not depicted in the Bayeux Tapestry, they were worn for warmth by Scandinavian and German warriors at the beginning of the 11th century and medieval emperors, kings and bishops wore ceremonial silk gloves, usually with embroidered motifs or metal plaques on the back of each glove.

By the 14th century gloves were in common use by men of the upper classes but not until the 16th century did Catherine de Medicis, Queen Consort of Henry II of France, set the fashion for women.

Fiona Clark, who is responsible for staging the exhibition, is sure she is not the only woman who now feels she is not properly dressed without a good pair of gloves.

The exhibition is open today and Easter Monday from 10 a.m.-7 p.m. but closed on Easter Sunday.

ERIC JOYCE

Knitted to order

SO popular was our knitting pattern offer way back in February that I can only assume that the Financial Times readers that aren't doing needlework are knitting. However, there must be some readers who would have loved the coat but didn't know how, or couldn't find the time, to knit it for themselves. If this is true, help is at hand.

Mrs. Anne Farmer has formed a circle of some 80 or more knitters in the Cambridge area, all of whom are happy to knit readers' own patterns. She also has brought out a catalogue of 10 Anne Farmer originals which you can get by sending a large s.a.e. To give an example of price, a mohair jacket would be £35, a sleeveless lacy cardigan £18; both prices include wool and the knitting-up.

Prices for knitting readers' own patterns vary enormously depending upon the elaboration of the design. Readers should specify wool to Cambridgeshire knitters so that they can buy it and save both postage and shop mark-up.

Cambridgeshire Knitters are used to designing special one-off designs — they've done a coat for a wedding and a jumpsuit for somebody else.

If you would like something knitted specially for you or want a copy of Anne Farmer's designs write to Cambridgeshire Knitters (Mrs. Farmer), 27, Madingley Road, Cambridge.

CHESS

LEONARD BARDEN

A BUSY chess spring for London opened last month with the traditional and 99th university match, held at the Royal Automobile Club. It ended in yet another Cambridge victory, their tenth in a row and a reflection of how the successes of the 'sixties (when the Cambridge team included Keene, Hartston, Stean and Mestel) has established a pattern which Oxford find hard to break.

True, the margin between the teams this year was the narrowest for some time. The top seven boards ended level, but the ladies board, established as part of the interest of the sponsors, Lloyds Bank, in feminine chess, settled the result for Cambridge.

Detailed scores were (Cambridge names first): S. M. Taulbut ½, H. D. Macpherson ½; C. S. Crouch ½, P. J. Sowray ½; S. J. B. Knott 1; N. R. Benjamin 0; M. A. Pagden ½, J. W. Branford ½; K. L. Harris 0, S. Finn 1; A. J. Berry 1, P. Carey 0; J. S. Friedland 0, C. E. Hill 1; Miss J. Anson 1, Miss A. Rogers 0.

The best game was on Board 3 where Simon Knott's strong position play earned the Lloyds Bank trophy for the best Cambridge win. Knott, son of a senior partner in Greene and Co., plays for the Stock Exchange in the London League and is the most promising talent with City connections since Frank Parr was a junior.

White: N. R. Benjamin (St. John's, Oxford). Black: S. J. B. Knott (Trinity, Cambridge). Opening: Grunfeld Defence.

1 P-Q4, N-KB3; 2 P-QB4, P-KN3; 3 N-QB3, P-Q4; 4 PxP, NxP; 5 P-K4, NxN; 6 PxN, B-N2; 7 B-QB4, P-QB4; 8 N-K2, 0-0; 9 0-0, N-B3; 10 B-K3, Q-B2; 11 R-B1, R-Q1; 12 Q-K1.

One of several plausible moves at this point, and popularised by Spassky's win from Fischer at Santa Monica in 1966. However, Spassky met several Grunfelds in his recent Evening Standard match with England juniors and then preferred 12 Q-Q2, Q-R4; 13 Q-N2.

12...Q-R4; 13 R-Q1, P-QN4 (a risky attempt to take the initiative instead of simplifying by PxP); 14 B-Q5, B-N2; 15 PxP?

Not good: from now on White's Q-side pawns are weak and his attack on the king does not compensate for Black's bishop pair. Much better is 15 BxN, BxB; 16 P-Q5, B-N2; 17 BxP.

15...P-K3; 16 BxN (or 16 B-N3, N-K4 with good play), RxR; 17 QxR, BxB; 18 Q-B2, R-QB1; 19 R-Q1, B-K1; 20 Q-N3, B-B1; 21 B-Q4, BxP; 22 B-B6, Q-N3; 23 N-Q4, P-QR4; 24 Q-N2, Q-N1; 25 Q-Q2, P-N5! (mobilising both the Q-side pawns and the bishop pair, so White is forced to rely on his K-side attack); 26 P-QB4, B-B1; 27 Q-N5, R-B4; 28 Q-N4, RxP; 29 P-N3, P-R5.

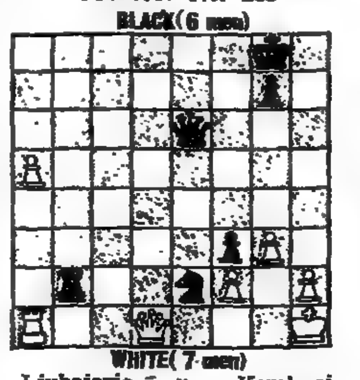
The critical point. 30 NxP looks promising, e.g. 30...PxN; 31 R-Q8, Q-N4; 32 QxP ch, B-B2; 33 Q-K7—but Black had prepared the defence 30...Q-B1! 31 R-Q8, QxN; 32 QxQ, PxQ; 33 RxB, K-B2; 34 R-N8, KxB; 35 RxB ch, K-K4 when the rook ending is an easy win. So White has to retreat the attacking forces, and the 2-1 pawn majority quickly decides for Black.

30 N-B3, B-N2; 31 R-Q8, R-B1; 32 RxR, QxR; 33 P-K5, Q-B6; 34 N-Q4, P-N6! 35 PxP, P-R6; 36 Q-Q1, BxB; 37 PxB, P-R7; 38 N-B2, QxN; 39 QxQ, P-R8(Q) ch; 40 K-N2, QxP; 41 Q-B8, Q-K2; 42 P-QN4, K-N2; 43 Q-B3 ch, P-B3; 44 P-N4, P-K4 and, the time control reached, White resigned.

Knott is among several promising juniors awarded scholarships from Aaronson Bros. and the Slater Foundation for the Aaronson Masters which began on Thursday at Quainton Hall School, Harrow. At least two grandmasters and ten IMs were expected to take part in this important international event where play continues every afternoon until next Friday.

POSITION No. 263

BLACK (6 men)

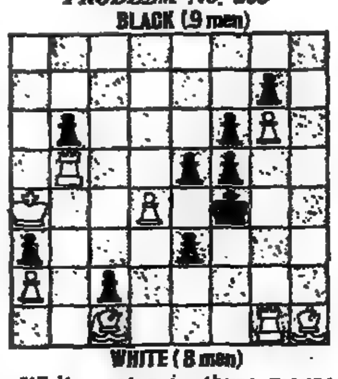


WHITE (7 men)

Ljubojevic v. Korchnoi, European club championship 1979. Viktor Korchnoi helped Volmac Rotterdam reach the semi-finals over Red Star Belgrade with his win as Black (to move) in this position. One move forced White's resignation. What did Korchnoi play, and why did White then give up?

PROBLEM No. 263

BLACK (9 men)



WHITE (8 men)

White mates in three moves, against any defence (by J. T. Warton).

Solutions Page 20

BRIDGE

E. P. C. COTTER

IN TWO hands from recent sessions of rubber bridge, the declarer in each case lost his contract because he played with insufficient care. Look at the first hand.

N.
♠ J 7 3
♡ A 5
♢ 6 5 3
♣ K Q J 10 2

W.
♠ 6
♡ K Q 10 9 3
♢ Q J 10
♣ 8 6 4 3

E.
♠ Q 9 8 2
♡ 7 6
♢ K 9 7 4 2
♣ 9 5

S.
♠ A K 10 5 4
♡ J 8 4 3
♢ A 8
♣ A 7

South dealt at game to North-South and bid one spade, North replied with two clubs, and South rebid two no trumps. Three no trumps would have been a lay-down contract, but North decided to show his three-card spade support by saying three spades, and South bid four spades, which was reasonable enough.

West led the heart King, dummy's Ace won, East dropping the seven and South returned a spade from the table, successfully finessing the ten. Now he cashed the Ace of spades, but when West failed to follow suit, he realised that he might be in serious trouble.

In an attempt to retrieve the position, he returned the heart eight, West won with the nine, and East completed the peter. If West makes the mistake of leading another heart, declarer will get home by ruffing with the Knave on the table, and whether East overruffs or discards, the contract is secure.

West, however, was a class performer, and switched to the diamond Queen, on which East dropped the two to show his five-card length. South won with his Ace—a second mistake, and this time fatal. If he holds up, he cuts the enemy lines of communication and can still make ten tricks.

As it was, he led a heart, ruffed with dummy's Knave, East over-ruffed, and led back the nine of diamonds, a suit preference signal for a heart return. This allowed him to score his nine of spades to put the contract down.

Good technique saves all headaches. After winning with the spade ten, declarer should return a low trump to the table. This holds his losses to one heart and two spades.

In this hand the crime was greater, and more expensive:

N.
♠ 8 7 6 2
♡ A 8
♢ 10 3
♣ A 10 7 6 5

W.
♠ Q J 10
♡ 3
♢ Q J 8 7 4
♣ Q 8 4 3

E.
♠ 9 5 4 3
♡ J 6 4 2
♢ 6 5
♣ K J 9

S.
♠ A K
♡ K Q 10 9 7 5
♢ A K 9 2
♣ 2

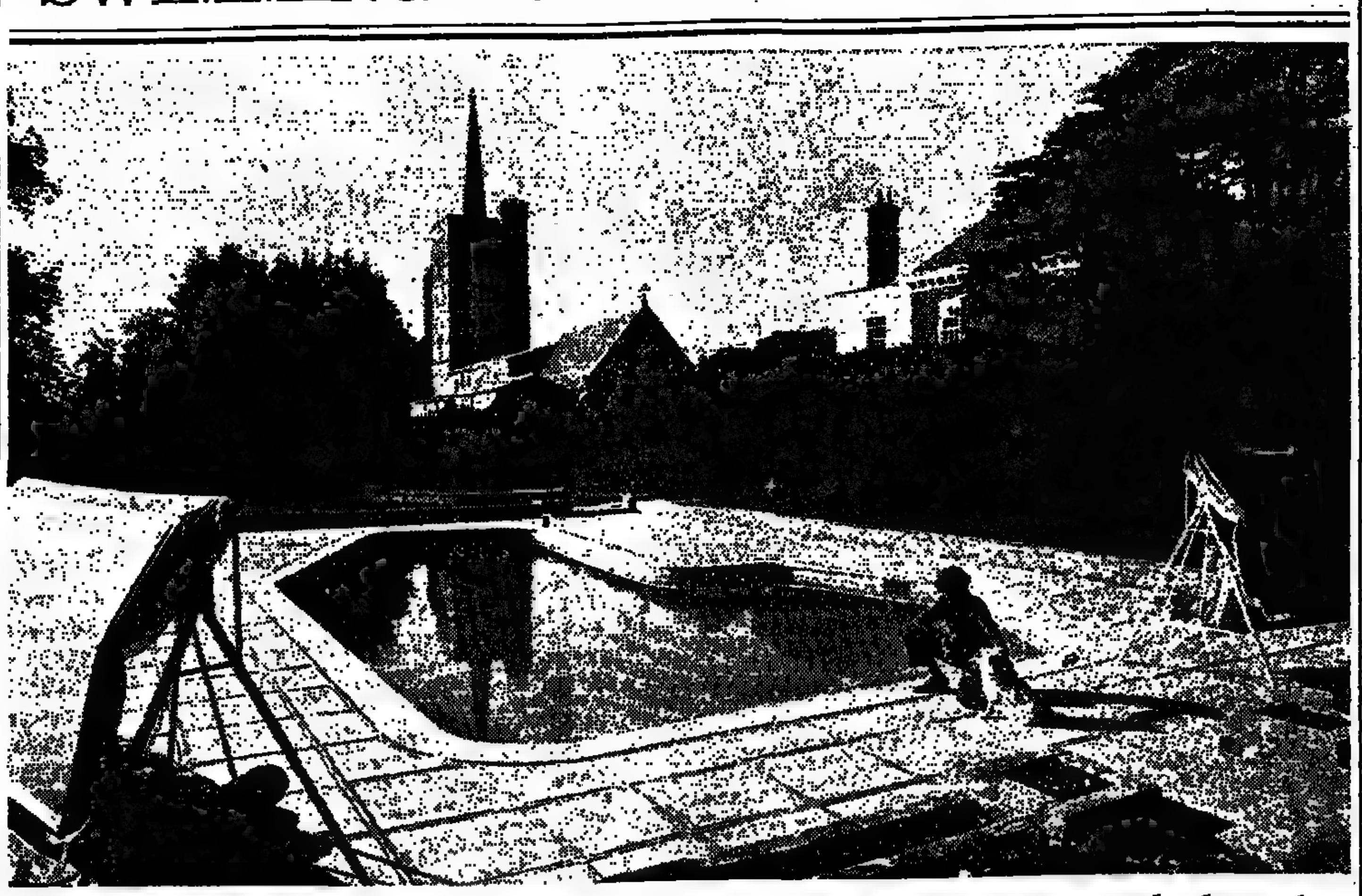
South dealt with both sides vulnerable, and opened the bidding with two clubs, to which his partner replied with a positive two no trumps. The opener rebid three hearts, North raised to four, and after a Blackwood check for Aces—it was almost certain that North had two—South bid six hearts.

West led the spade Queen, taken by the King, and declarer cashed the diamond Ace. He correctly crossed to the club Ace in order to lead dummy's remaining diamond, and won with his King. On the two, which came next, West dropped a deceptive Queen, and declarer ruffed with dummy's eight of hearts. East overruffed, and a trump return left South with a losing diamond for which there was no home.

The declarer should not have been fooled by West's diamond Queen—he should ruff the diamond two with the trump Ace. He comes to hand via the Ace of spades and ruffs the other diamond with the eight of hearts. East can overruff, but that is the only trick for the defence.

SWIMMING POOLS

BUYER'S GUIDE



With the British winter, we hope, about to come to an end, thoughts might turn to summer months and the outdoor activities. **Arthur Sandles** examines the decisions facing anyone considering their own swimming pool.

The outdoor life—at home

DREAM or practicality? An indispensible part of normal domestic life, or a money-wasting extravagance? Well, in many ways the swimming pool has come of age in the past five years. The end of the never-had-it-so-good 1960s brought the realities of the seventies and introduced the days when few of us could leap into the purchase of a new shirt.

Most swimming pool investments in Britain today are above all investments — be that an investment in health, in property value, or even simply life-style. The reality of the approach has fortunately driven from the business many of the cowboys who luxuriated in the explosive market conditions of a decade ago. There are still traps for the unwary, but the pool building market in Britain is much less of a jungle now than it was then. Any contractor worth considering should be able to offer a potential purchaser a lengthy track record of local satisfied customers.

Things of beauty certainly, and often joys for ever, a swimming pool is rather more than just a hole in the ground lined with blue painted cement. Even the simplest garden pool, plastic lined, aluminium framed and standing above the ground, is subject to considerable stresses and strains. The water in even a small pool is a considerable weight and any pool must be able to hold this weight without the minor shape changes which can so often produce cracks. Pressure on the pool side while it is full can easily be reversed when it is empty, and perhaps surrounded by wet soil. Thus a pool must be able to withstand not only internal loading, but also forces which can amount to a giant hand pressing against the sides.

Inevitably therefore you should beware of the pool salesman who appears to be cutting corners in the basic early stage. The lack of a proper survey of your site could mean a failure to notice that you have clay at one end of the garden and sand at the other. A cut back in site investigation and preparation, and in the provision of proper foundations, can make for miserable summers. Again, a good installer will offer some form of guarantee and after sales service.

As far as pool size is concerned ensure that you get what you want and not what the contractor wants to sell you. If you want something that looks pretty and is suitable for a cooling dip in the summer, then go perhaps for an interesting shape but a relatively small pool size. If, however, athletic children predominate in your household, or if you yourself fancy a mile or so freestyle every morning, a conventional rectangle with as much length as not to look silly in relation to width, may be the thing.

But the pool size is not just a matter of widths and length. The depth of your pool is a matter of some significance. If you intend using any form of diving board at all, you will need a considerably greater depth of water than for simple swimming, and the depth will have to be consistent over a wide area to allow for a diver to recover. Diving boards should never be an afterthought. Greater than normal depth adds to costs, particularly when you consider that a normal pool requires a hole at least two feet deeper than the finished product will offer its users.

There was a time when the basic advice was "decide what you want and then buy a size larger" since we all usually want to trade up when its too late. Now, however, the cost of heating a pool makes contemplation of a few extra cubic feet of water a serious matter. There are, of course, ways of energy conservation—more of which later—but it is foolish of overbuy. There was also a time when the British thought it impolite to discuss money matters in public. Today, however, I know of few people who will not eagerly exchange stories about their fuel bills. They fall into two basic categories. There's the much-angered recipient of the latest outrageous bill, or the arrogant know-all who has just converted his heating system to wind-power.

Contractors should be able to produce a formula which should give you some indication of likely heating costs—although working it out in advance is a bit like the old "how long is a piece of string" conundrum. You will have to estimate the basic unheated pool temperature in the summer months (unlikely to be much above 60) as well as the temperature at which you will want the water. The cost of heating the gallonage in your pool through the difference in degrees is what you will pay for. Around 80 degrees F is where most recreational swimmers feel at their most comfortable, much higher than that and the water will simply make you feel lethargic. Four or five degrees lower is better if you or your family are likely to be enthusiastic competitive swimmers.

Simple pre-construction planning can reduce heating costs and make swimming more comfortable—avoiding parts of the garden which are subject to winds, perhaps building a protective wall or two. And, of course, you can go the whole hog and cover the pool, not necessarily turning it into a permanent indoor installation but with covering which can be anything from a sliding roof to a metal framed plastic structure.

Beyond siting there are various ways of curbing heating costs, and of finding other sources of power. There are systems for covering the pool surface—the bulk of a pool's heat loss is from the surface—and methods of taking heat from the sun. Solar power is not the novelty that once it was. Systems are now quite sophisticated and worth the examination at least. The great plus as far as the pool owner is concerned is that his solar heating unit is likely to be functioning at its best at the very time when he needs the pool.

Manufacturers suggest that given normal temperature requirements it is possible to save *the capital cost of installing* solar heating in five years. One company alone has installed more than 1,000 solar panels in the UK and Europe.

Making the choice

ANYONE contemplating pool purchase is likely to be baffled by the array of systems on offer and by rival claims for speed of construction, lack of maintenance and inexpense. The basic rule in pool buying is that mistakes are much cheaper to avoid than to correct. All the systems on offer have advantages, and disadvantages. Examination of the rival proposals are half the fun of purchase.

Concrete pools are found in two basic systems—poured cement and Gunite. Both offer an almost limitless flexibility in design. Poured concrete will give you a pool of considerable strength and durability if properly built. The concrete is normally reinforced with steel. Construction by this method requires a high standard of design capability and craftsmanship.

Gunite is a patented system of spraying dryish cement onto your pre-planned base. The cement is applied with considerable force and the method adds to concrete's basic attraction of making interesting designs more feasible.

There has been a trend recently towards the use of cement panels, perhaps reinforced with glass-fibre, which offer strength and convenience.

Brick-built pools are increasingly rare. Also apparently simple, they require extreme caution in the preparation of the foundations. Odd shapes are usually impracticable.

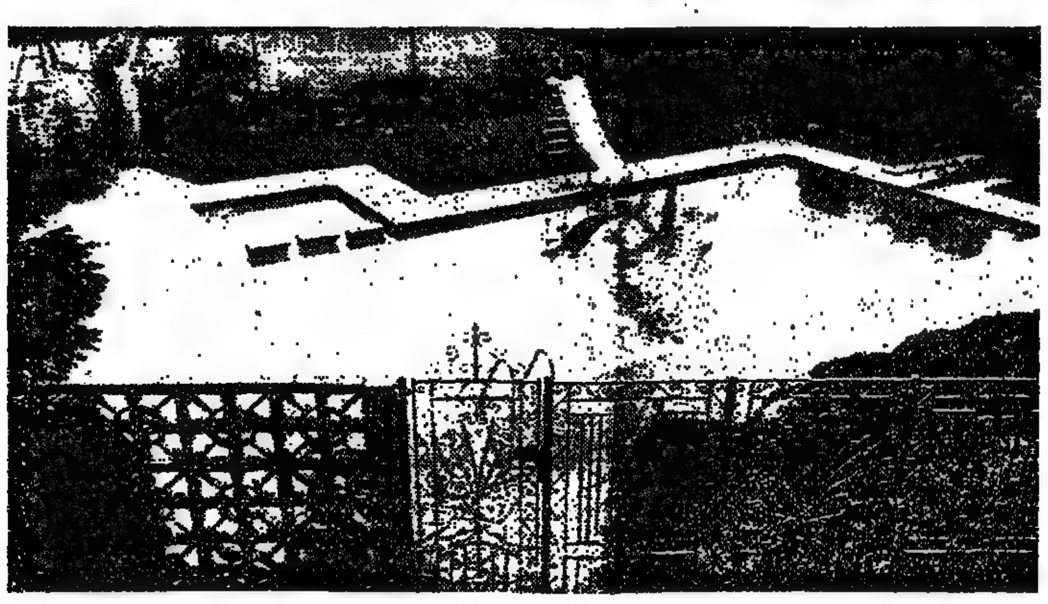
Fibreglass is another product which requires great care in the preparation of the foundations. Its advantage of impermeability (except at seams which have to be made very skilfully) has to be balanced against its basic lack of strength. If properly installed, however, fibreglass pools often require less maintenance than most others.

Metal is much less frequently used in Britain and mainland Europe than it is in the U.S. A metal pool, however, could be a first choice for someone with unstable ground, since there is enormous strength. Such a pool would usually have a vinyl liner. Tears in the liners are easily repaired, but care should still be taken in choosing the right thickness.

Above-the-ground pools are, of course, the simplest of all, and the cheapest—and they may not necessarily attract the eye of the local valuation officer. Their lack of eye appeal can be disguised.

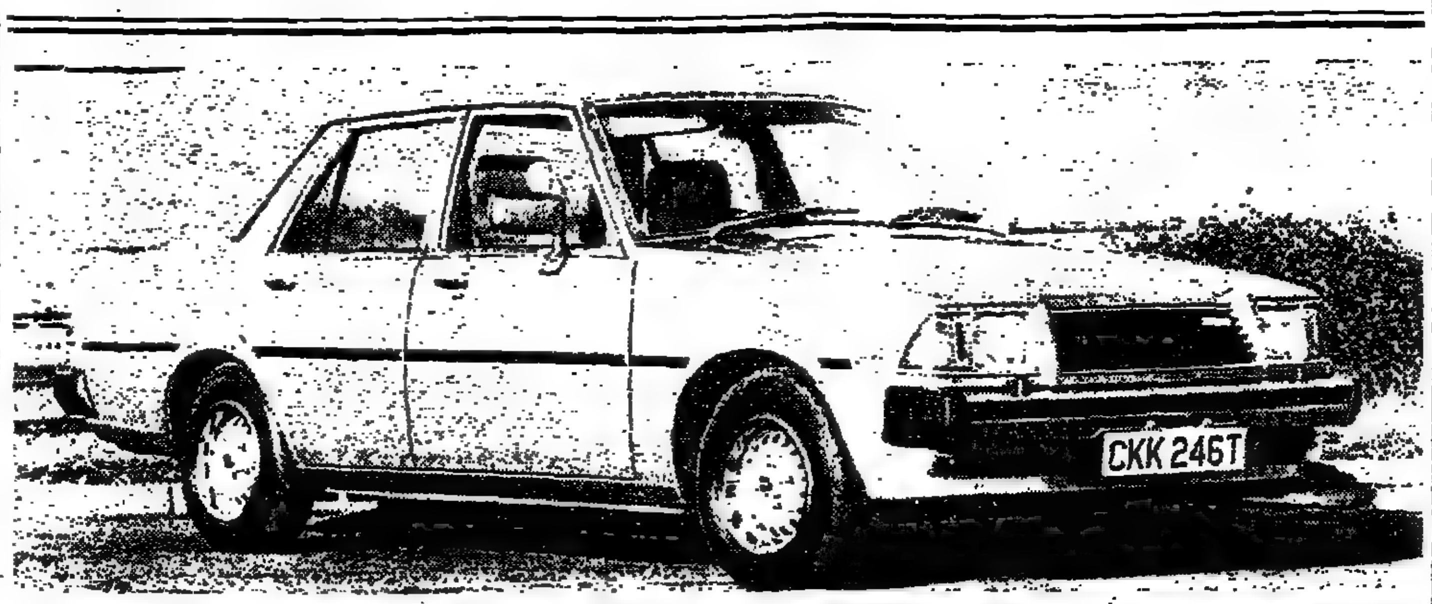
Before you go too deeply into decision making it is worth considering the particular aspects of your own setting. Some pools require a sizeable access road, while others do not. Some are better on unstable land than others. Some settings look splendid in theory but it is a bit late to discover that the local main drain runs under your lawn if the contractors are already digging it up. Some research pays off.

And, even when you've bought the pool, there's fun to be had in looking to the extras—like the shoals of foot-long plastic fish you can buy to keep you company during your morning swim.



Shape is no particular problem in swimming pool construction today as these pictures show. It is simply a matter of taste, need and setting.

MOTORING



The Mazda Montrose 1.6 GLS saloon. A well-equipped family four-door in the Vauxhall Cavalier class.

All things to all men

BY STUART MARSHALL

IN JAPAN, it is called the Capella; in many export markets, the 626; but in Britain, Mazda's latest is named Montrose. The importers say they called it the Montrose in a bid to end the number confusion, and I'll certainly drink to that. Trying to remember, for example, whether a 323 is a Mazda, or a Volvo (née DAF) or a 2.3 litre engined 3-series BMW is enough to drive one to distraction. But Montrose? That I can't get confused about—and nor will the customers.

The Montrose is Mazda's world car. It is coming into Britain as a four-door saloon or two-door coupé, with a choice of two engines in the saloon (a 1.6 litre and 2-litre) ,but the coupé as a 2-litre only. There is an estate car, too, but it will not be imported for some time. That is a segment of the market Mazda feel they are covering with the 1.4 litre estate which has been evolved from the Hatchback range, alias the 323.

Mazda see the Montrose as a natural progression from the Hatchback and it is a similar kind of car in many ways, only larger. The mechanical layout is up to date conventional, with a coil sprung rear axle, and the styling is totally European.

It looks clean and smooth and Mazda say the shape was decided as much by computer read-outs on wind tunnel tests as it was by the stylist's pencil. They claim exceptionally low aerodynamic drag for both saloon and coupe which should show itself in fuel economy at high cruising speeds and a lack of wind noise.

They are unquestionably nice looking cars, with a striking similarity in general outline to the Vauxhall Cavaier and Opel Ascona, which Mazda see as being among the Montrose's principal rivals. Their dimensions are in most respects the same. Wheelbase (8 ft 3 ins) and track (4 ft 6 ins) vary only by fractions of an inch. The 14 ft 1 in Montrose is, however, six inches shorter than the Cavalier though nearly an inch wider. The saloon is two inches higher than the Cavalier, the coupe one inch.

Where Mazda, who expect to sell 4,000 Montroses here this year, appear to have got their nose in front is in respect of both price and equipment. The Montrose 1.6GL costs £3,649, which is over £100 cheaper than the Cavalier 1.6GL. And, even by Japanese standards, it has fairly lavish equipment. The standard package for the 1.6GL includes a laminated windscreen, electric boot lid release from the fascia, halogen headlamps, a lockable fuel cap, clock and trip mileometer.

The 1.6CL has a four-speed manual transmission, the 2-litre saloon a five-speed manual or three-speed automatic, the 2-litre coupe a manual five-speeder only. The price comparisons between the Montrose 2-litre GLS and Vauxhall Calavier 2-litre GL are superficially less flattering to the Japanese car at £4,149 (Mazda) and £3,966 for the Vauxhall. But the equipment levels tell a different story.

For the extra £183 the Montrose buyer gets such goodies as a radio, five-speed gearbox, laminated screen, tinted windows, electrically-operated door mirror, driver's seat with adjustable thigh and lumbar support, rear seat backrest that folds down in two parts to extend the boot, headlamp jet washers and a chime that reminds you to turn the lights off when you leave.

If I have dwelt on what might be called the showroom aspects of the Montrose at some length, I must plead a certain lack of driving experience. Mazda chose to launch the car in Malta, where speed limits, lack of elbow room and elderly trucks round corners do tend to inhibit motoring. But the patched roads showed that the suspension was agreeably shock-absorbent and the ride non-wallowing; the light steering made the Montrose nimble and effortless to weave around narrow back streets; and the weather (warm even for Malta in March, I was told) proved that the ventilation should cope with an English summer day without having to lower windows.

Mazda claim top speeds of 100 mph for the 1.6 saloon and 2-litre automatic, 106 mph for the 2-litre manual saloon and 109 mph for the coupé. Average fuel consumptions are said to be 33 mpg for the 1.6 litre, 31.8 mpg for the 2-litres.

As they laid on a deserted airfield for acceleration runs, I can vouch for the accuracy of their claim of 0.62 mph in 13.5 seconds for the 1.6 litre, 11.3 seconds in the larger engined car. And all the cars entered happily into the spirit of being dirven at quite outrageous speeds around cunningly arranged cones, when the shriek of tortured rubber would have brought joy to any tyre dealer.

What the Montrose feels like in typically British conditions I shall have to discover later. If the economical liveliness of the Mazda 1.4 estate in which I did nearly 400 miles in a day recently is anything to go by, the Montrose will be a worthy addition to the most competitive of all market sectors. Mazda reckon that 60 per cent of this year's sales will be of 1.6 GLs, but that doesn't mean they are after the fleet buyer. While sales are restricted in deference to government wishes on Japanese import penetration, there will not be any big discounts offered on the Montrose. It is a nice enough car not to need it.

Jag convertible

ANYONE wanting a four-seat convertible and who can't bear to wait for the arrival of the topless VW Golf I wrote about last week can get one for £4,450—if they happen to have a two-door XJ Jaguar or Daimler coupé standing in the garage. The Avon-Stevens XJ Convertible is based on the two-door Jaguar/Daimler which went out of production recently after a sadly short run. If you happen to have a yearning for open-air motoring, £4,450 and one of the increasingly rare two-door Jags to spare, the man to call is Graham Hudson, of Ladbroke Avon, Millers Road, Warwick.

WORLD CRUISING

A sea voyage is still one of the most attractive and relaxing of holidays. Most of the world's waters now have cruise ships sailing on them. ARTHUR SANDLES and SYLVIE NICKELS examine the offers for 1979.

All set for the sea

THERE IS something about a cruise ship which distorts, perhaps even destroys your sense of timing. Read the schedules and you tend to think: "But how on earth am I going to fill all those hours?" In the event the days fly by. The encapsulated isolation of life aboard rapidly creeps into the blood stream. Indolence, in the nicest possible sense, proves extrordinarily infectious.

It is perhaps for that reason if none other that cruising has retained its grip on the travelling public. Pushing huge metal machines over thousands of miles of water and meanwhile pandering to the demands of holidaymakers eager to enjoy themselves is costly business, so cruising is by no means cheap. But still its peculiar pleasures ensure its continuing appeal.

But if cruising is not cheap, it could certainly be argued that it is inexpensive. Very roughly sea trips at the moment cost between £40 and £200 a day per person if you choose a good outside cabin with bath or shower. You can pay less by shopping carefully in terms of season and cabin, and you can pay more, if for example you wanted a verandah suite on the QE 2. An average for a Mediterranean cruise in high season, again a good outside cabin with facilities, would be £50-£65 a day per person.

For that, however, you get your hotel room, full meal services — usually considerably superior to that on shore—transportation and full resort facilities.

The cruise globe continues to grow, but as far as the British market is concerned the majority still aim for the Mediterranean and the eastern Atlantic. The happy hunting grounds of the Greek islands are perfect for cruising, particularly in the summer when the Caribbean can be almost offensively hot. Beware, however, of the cruise which does a little too much island hopping. The prospect of a new port each day may seem appealing in the brochure, but it is nice to get a few days actually at sea from time to time.

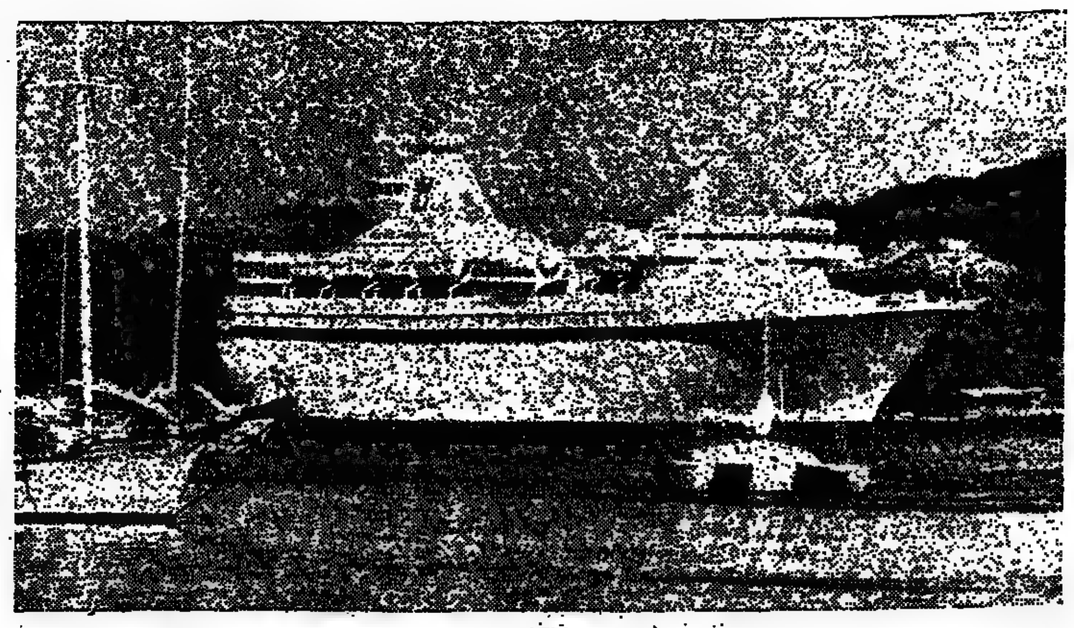
It is perhaps for this reason that I am attracted by many of the cruises which actually depart from the UK. A good example is the P. & O. Canberra cruise schedule which includes several voyages with three or four days at sea after leaving Southampton before the first port of call is reached—a magnificent way of getting in the mood.

If you have not cruised before, or it is some time since you took a sea voyage, you may be surprised by the range of trips on offer and it is well worth seeking out a selection of brochures before making any choice. If you have an enthusiasm for more than a superficial look at ports, however, give consideration to Swan Hellenic, about which I continue to receive good reports. The advantage of these cruises is the expert guidance given and the fact that shore excursions are included in the basic price. A disadvantage, in my book, is the need to fly to the port of departure, although the baggage limit is a highish 66 lbs. Another semi-specialist cruise operator is Saga Holidays, a company dedicated to providing holidays for those of maturer years. Its latest brochure will be out within a week or so. An alternative one the BI Discovery cruises (details from P. & O.).

Caribbean cruising is usually, but not always, fly-cruising, with Miami the most favoured port of departure. If you can brave the rigours of Miami airport on arrival—prepare yourself for a long hot wait for immigration and customs if you arrive on a peak Friday—then the port itself is a pleasant starting area. The fleet of cruise ships in the harbour on Saturday make a spectacular sight in themselves.

Spring is the best, and most expensive, time for Caribbean trips. If you depart from Miami most of your fellow passengers are likely to be American, whom I have always found to be delightful travelling company. On Caribbean cruises there is one broad rule: the longer the cruise the older the average age of passenger. Americans, particularly young Americans, get shorter holidays than Europeans. If you are looking for a swinging disco-style on-board night life, stick to the seven day cruises. If you like a quieter life-style, choose something a little longer. A.S.

ADDRESSES: P & O Cruises, P & O Building, Leadenhall Street, London EC3V 4QL. Royal Caribbean Cruise Line, 35, Piccadilly, London W1V 9PB. Cunard, 8, Berkeley Street, London W1X 6NR. Royal Viking, Cayzer House, 2/4, St. Mary Axe, London EC3A 8BP. Swan Hellenic, 237, Tottenham Court Road, London W1P 0AL. Saga Holidays, P.O. Box 64, Folkestone, Kent.



Sun Viking

Northern Waters

AS A northern enthusiast, I find some satisfaction in the increasing number of my sun-addicted friends who are learning that The South does not have a monopoly of the sun. It is a simple fact of life that the short but intense nordic summers can produce this commodity for up to 24 hours a day.

Some shipping companies have been aware of this for a long time, but I imagine the honours for being the oldest-established should fall to the operators of the Norwegian Coastal Voyage, which in any case must be unique in several respects. Every day for 365 days of the year, whatever the weather, one of thirteen sturdy ships noses out of Bergen's lovely harbour on the west Norwegian coast and heads north. Twelve days later she noses back again with yet another 2,500 miles of mostly sheltered waters under her bows, having also called — usually twice —at 35 towns and fishing ports, rounded Europe's northern-most extremity, and commuted against a backcloth of some of the world's finest coastal scenery.

Marketed ex-UK by Fred. Olsen-Bergen Line and others, these cruises will definitely not appeal to seekers of luxury or ready-made entertainment. These are working ships, albeit sophisticated ones, carrying passengers and cargo. Cabins are compact (a few with private facilities), public areas usually comfortable and attractive, food wholesome and plentiful (no spirits, but wine and beer available). And entertainment comes from the ever-changing and often grandiose scene, the comings and goings at the many ports of call, and the possibilities of shore excursions at places ranging from the cultural treasures of Trondheim to the bleak splendours of the North Cape. It would be very hard to be bored. Binoculars are highly recommended, not only for birdwatchers, but for enjoyment of the passing marine and terrestial scene. The cost ex-London (by air to Bergen) is £375-£490 according to season; ironically a little more if one takes the North Sea crossing from Newcastle.

These coastal ships can, of course, go where larger vessels cannot. Nevertheless, if you prefer a more conventional cruise to these rather unconventional regions, there are several possibilities. The 22,000-ton ships of Royal Viking Line, for example, have a number of cruise itineries in the Baltic and Norwegian Seas. Six departures between early June and mid-August ex-Copenhagen visit 12 Norwegian fjords in 14 days, culminating with the North Cape. Ports of call include Oslo, Trondheim, Tromsø and Hammerfest, and cruise fares are from £1,042-£2,388.

The emphasis certainly sounds to be on gracious living, for the ships are floating art galleries of paintings, sculpture, tapestries, and leisurely single sitting meals are embellished by German crystal and best Norwegian china. Royal Viking also make a special feature of their Enrichment Programme, by which passengers with a healthy curiosity about their ports of call can listen to and discuss with prominent guest lecturers. And, of course, there are the usual cruise activities and entertainment. Another Royal Viking 14-day cruise links Copenhagen and Southampton via Leningrad, Helsinki, Stockholm, Gdynia, Hamburg and Amsterdam, leaving Copenhagen on August 31.

Norwegian America's Vistafjord and Sagafjord, respectively 25,000 and 24,000 tons, venture further out into mid-North Atlantic in their 10-21-day Nordic cruises, mainly Tilbury-Tilbury. The longest of these has a distinctly Viking flavour for it includes the Faroe Islands, Iceland, Spitzbergen, Bear Island and the whole length of the Norwegian coast from Kirkenes via the North Cape to Bergen. One of the Icelandic ports of call is the Westman Islands, with an opportunity to get on nodding terms with some rather new volcanoes. Adult cruise fares are £780-£2,500. On the shorter itineraries, the average for accommodation in good outside cabins is £650-£950. Undoubtedly, the lowest rates come from Soviet-owned CTC, whose 14-day North Cape cruise ex-Tilbury in June with the compact (nearly 5,000 tons) Mikhail Kalinin is £265-£760.

The same company's Mikhail Lermontov (nearly 20,000 tons) has a number of Baltic and Norwegian West Coast cruises, the former featuring Leningrad and Helsinki, with a varying combination of Scandinavian ports.

CTC's itineraries are among the specially selected cruises of Ellerman Cruising. So is Cunard's 10-day North Cape cruise by QE2 leaving Southampton on July 7 (£490-£1,820): a splendid opportunity if you have not the time (or budget) for a longer voyage on this not-so-miniature modern city afloat. As yet I have only admired her from without, but Cunard's naturally biased claim that this is the greatest ship in the world has won a growing band of supporters.

Europe does not, of course, have a monopoly of northern waters, and there are some pretty exciting itineraries available in Alaska, for example. Holland America Cruises' sister company Westours have a programme detailing 18 cruise/tours this summer, including an Inside Passage cruise and tour of Alaska. These voyages are by the Veendam (23,500 tons) and my favourite among the smaller cruise ships, the Prinsendam (9,000 tons), which appears again elsewhere in this feature.

SN

Further information: Fred. Olsen-Bergen Line, 229 Regent St., London W1R 8AP; Norwegian America Line, 11 Quadrant Arcade, Regent St., London W1R 6EJ; CTC, 1-3 Lower Regent St., London SW1Y 4NN; Royal Viking Line and Ellerman Cruising, Hanover House, 73 High Holborn, London WC1V 6LS; Cunard, 8 Berkeley St., London W1X 6NR; Holland America Cruises, 56 Haymarket, London SW1Y 4RZ.

Pacific area potential

THERE IS a rumour about that in the not-too-distant future the Pacific area could seriously challenge the popularity of the Caribbean. And with moderating air fares, why not? With the Americas on one side, Asia on the other and Australasia poised somewhere around "seven o'clock," you could hardly wish for a more totally mixed bag of cultures, climates and scenic miscellany. To encourage the trend, the Passenger Shipping Association and the Pacific Area Travel Association have joined forces to promote Far East and South Seas cruising and, with rather little known about the area on this side of the globe, it seems a sensible move.

The principal shipping companies concerned are CTC, Cunard, Holland America Cruises, P & O Cruises, Royal Viking Line and the Philippine company Negros. CTC, part of the Anglo-Soviet Shipping Company, sails to Australasia from Southampton four times next winter, one or the other way round the world, the five-week voyage costing £515-£1,300, according to cabin and season.

The same company has a year-round series of South Seas cruises out of Sydney, starting at £300 and mostly of 14-15 days' duration. Other travel firms such as Far East Travel Centre have well-established regular jet-ship routes from the UK to Australia via Singapore, as well as irregular and more leisurely fly-cruises via Bangkok or Hong Kong. A 16-day arrangement, for example, flies out to Bangkok (two days), thence by sea via Jakarta (two days) and Bali (one day) to Fremantle, for £428-£488.

For the Australians, Indonesian waters and the South Seas are more or less on home territory; but from this side of the planet it may be surprising to realise how considerable the cruising possibilities are. Those of CTC have already been mentioned. P & O's 27,000-ton Sea Princess also slides out of Sydney Harbour, plus some other Australasian ports, on a year-round series of South Sea island cruises, mostly of about two weeks' duration. Around mid-winter she is joined by the 42,000-ton Oriana. The names of the ports of call alone are evocative enough: Pago Pago (American Samoa), Nuku'Alofa (Tonga), Suva and Lautoka (Fiji).

There is no problem about combining any of these with a direct or devious route ex-UK and, indeed, some very special packages can result. One, in conjunction with Rankin Kuhn Travel and the Royal Horticultural Society, and accompanied by famous botanical escorts, leaves London on October 8 for a four-week itinerary that includes a 14-day Sea Princess cruise: fares ex-London £1,459-£2,158.

Royal Viking Line have a number of Pacific offers, too, ex-Los Angeles, one of which departs on September 22 on a 54-day meander via Hawaii and the Philippines to Hong Kong, Shanghai, Kobe and Yokahama, and back. The even longer 70-day Circle Pacific ex-Los Angeles next February follows a similar itinerary with a hefty disgression on the way to take in the South Seas and Australasia. Cruise fares are in the £5,200-£12,000 range.

The Pacific area, of course, features strongly on world cruise programmes, such as those of Cunard's QE2 and Holland America Cruises' Rotterdam. The latter, for example, spends nearly half of her 100-day itinerary in these parts once she leaves the Panama Canal and heads, via Mexican and Californian ports, across the Pacific to the Philippines, Hong Kong and Singapore.

But Holland America's real young veteran of the Far East is the Prinsendam which has become the truly regular winter commuter of Indonesian waters (October to April).

The basic 18-day arrangement, with return flight, two nights in Singapore and the full cruise is from £1,095-£1,695 next winter.

Further information: CTC, 1-3 Lower Regent St., London SW1Y 4NN; Far East Travel Centre, 32 Shaftesbury Avenue, London W1A 4XB; P & O Cruises, Beaufort House, St. Botolph St., London EC3A 7DX; Royal Viking Line, Hanover House, 73 High Holborn, London WC1V 6LS; Cunard, 8 Berkeley St., London W1X 6NR; Holland America Cruises, 56 Haymarket, London SW1Y 4RZ; Negros Navigation, c/o Philippine Airlines, 10 Collingham Road, London SW5.

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TRAVEL

The Easter weekend is by tradition the start of the main travel season. Here the FT travel staff sets the Spring ball rolling with a look at those places which most readily come to mind over the next few days —centres of our religious and cultural traditions.

A stroll by Galilee

THAT STROLL beneath the trees by the side of Lake Tiberias provoked one of those upsetting reassessments we all have from time to time. Somehow in my mind over the years I had tied together Biblical ideology with the geography of a region. Thus, to doubt the validity of one was to question the actuality of the other. Inevitably the result of this naive linking was that when I was able to walk by Tiberias (which was formerly Galilee) and see that it was indeed there, pretty well in the form the Bible said it was, it came as something of a shock.

It was a shock that was to be repeated, for I had gone to Galilee first after being less than excited by the rough and tumble of modern Tel Aviv. With the aid of the Dome of the Rock, the Garden of Gethsemane, the Mount of Olives, the old Arab quarter of Jerusalem and even the confusing commercialism of central Bethlehem the rethinking continued. It was not a religious experience. Indeed, quite the reverse. It was the learning that history was here, tied perhaps to religious belief in the deepest way, but not conditional upon any form of religious acceptance or belief.

JERUSALEM

The visitor who can approach Bethlehem through the barren hills that still hide the occasional flock of ragged sheep without feeling a faint wave of emotion is hard hearted indeed. Those sheep are a long haul from the bulky wide-eyed brutes of the South Downs who formed the basis of my childhood imagery, and the dusty terrain seems to a mere northern European, poor stuff to do such violent battle over, but battles there have been, and evidence abounds.

On the calculating touristic side of the balance sheet is the fact that the Middle East provides a better guarantee of good travel weather conditions than most regions within easy reach of London. In these troubled times Egypt, Israel and Cyprus tend to be among the few natural choices for those seeking good off-season weather without the chore of voyaging to the western hemisphere or the tropics.

For the first time visitor to Israel I can do little better than to urge an acceptance of the inevitable and a trip along the well trodden tourist routes. Since one ought to see Galilee, Bethlehem, Jerusalem, Masada and the Dead Sea there is not much time left in the average holiday period for dallying about. Many tours will offer you more, much more, on paper. If you are the type you can do Naples, Rome and Florence in three days then leap at the chance, but otherwise treat such packed itineraries with caution.

If I were to pick one place to visit it would, of course, be Jerusalem, focal point of three of the world's great religions and the heat source for so much of the world's over-boiling. Jerusalem is a bubbling mixture of yesterday and today, of west and east, of Christianity, Islam and Judaism. It is a city where religious experience and religious feelings run as deep as it is possible for them to run, but it is a place where you can eat and drink what you will (pork and hard liquor if that is your choice) and dance until the early hours.

I doubt if there is a person alive who could claim to "know" Jerusalem. It is more layered than a club sandwich and has more cross currents than the Bristol Channel at high tide. To walk its streets, nonetheless, is to walk history and not to have walked them is to have missed something which is a major part of our heritage.

ARTHUR SANDLES

BETHLEHEM

Easter England's ancient cities

IT IS unlikely (thank heavens) that our village Easter Bonnet parade will draw crowds from afar, though I shall certainly be there to support the local talent. For those who have not the benefit of such immediate goings-on, however, there is plenty doing around the country ranging from the quaint or cultural to the sporting or spectacular.

One thing is certain: given our national temperament, we shall not be competing with the extravaganza of religious ferfervour/frenzy that will undoubtedly surge through the streets of much of Europe this weekend. Memories of entanglements — both involuntary and intentional —with Good Friday processions in small Spanish towns remain vividly with me. But a guaranteed solemnity of occasion and setting awaits us in any one of dozens of cathedral cities and scores more of greater churches.

A recent survey, incidentally, estimates that the cathedrals and greater churches of England alone attract at least 20m visitors a year, in addition to worshippers. Whether you feature among the former or the latter, there is no better week-end than this to further acquaintance with an aspect of our national heritance that attracts foreign visitors in large numbers and which we take somewhat for granted.

Eighteen of the 45 Anglican Cathedrals in England are medieval foundations and as, between them, they cover the whole country and represent some of the finest ecclesiastical architecture in the world, they are worth listing. They are: Bath, Canterbury, Carlisle, Chichester, Coventry, Durham, Ely, Exeter, Hereford, Lichfield, Lincoln, London, Norwich, Salisbury, Wells, Winchester, Worcester, York. A few others, such as Bristol, Chester, Gloucester, Oxford, Peterborough, were established after the Dissolution in formerly monastic churches and, more recently, St. Albans and Southwark. From the modernity of reconstructed Coventry Cathedral set in its bomb-blasted medieval ruins to the great Norman naves of Norwich and Ely, the lofty Gothic of Winchester and the explosive light of York's ancient stained glass, the treasures span the centuries in a common cause.

The cathedrals of St. Paul's and Westminster Abbey in London, and of Coventry, Canterbury and Carlisle are among those with a full programme of Holy Week Celebrations. But, of course, special services will be held in all of them as well as in the hundreds of other churches, great and small, worthy of attention.

These include the magnificent "wool" churches of East Anglia and the Cotswolds.

There are other good, if more profane, reasons for pursuing a cathedral city theme this weekend. Cathedrals (and great churches) developed when and where they were most needed, becoming the ecclesiastic focal points of areas of a usually rich agricultural potential. Thus, they mostly combine with two attractive features: firstly, an often ancient urban nucleus, and secondly a very fair surrounding countryside. It is the kind of countryside that equally provided the right conditions for flourishing estates and the hundreds of historic houses and stately homes that will undoubtedly be doing brisk business this weekend, along with even more ancient monuments. So, with only a little mileage involved, Oxford can be combined with Blenheim Palace, York with Castle Howard or Harewood House, Durham with Washington Old Hall, Chichester with Roman Fishbourne, Salisbury with Stonehenge and Longleat, and so on.

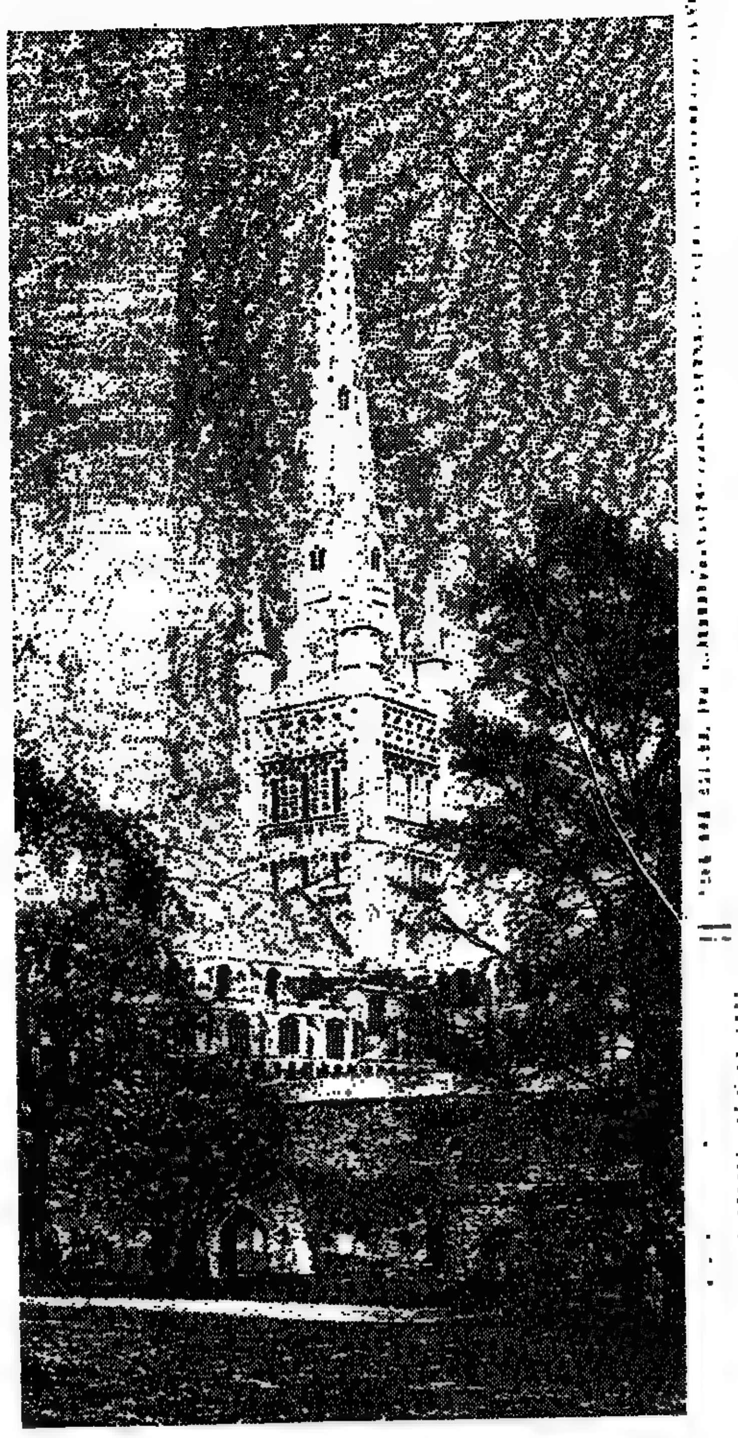
At this late stage, the best general sources for details are local and regional tourist information centres, of which there are some hundreds, most of which will (or should) be manned today at least. They will also be able to tell you about some of the odder happenings from which the following is a short selection.

At Palace Farm Field, Wells, Somerset, for example, there will be a re-enactment of the Siege of Wells of 1642, the battle starting at 17.00 hours today, and 14.30 on Sunday and Monday.

On Monday, some of the world's most historic flying machines of the Shuttleworth Collection will take to the air at Old Warden Aerodrome, Biggleswade, Bedfordshire. At Belvoir Castle, Grantham, Lincolnshire, there will be a Wild West Shoot-out tomorrow and Monday. Parascending and hang gliding feature for the next two days in the Easter Show of Dodington House Park Carriage Museum, Chipping Sodbury, near Bristol, at the same time as a Mini Steam Spectacular takes place at Elvaston Castle Country Park, Derbyshire.

Those who are confined to London will have the advantage of being able to telephone 246-8041 to find out what's on in the capital which, of course, includes the great Easter Parade tomorrow in Battersea Park (kick-off at 15.00). This is preceded by all kinds of attractions from 11.00, among them the Easter Bonnet Competition at 13.00. It might just be as entertaining as ours . . .

SYLVIE NICKELS



NORWICH

Festive Italy

THIS WEEK has seen many re-enactments in Europe's predominantly Catholic countries, including Italy, of the sequence of events which, following the Crucifixion, reached their climax on the first Easter Day.

Nowhere is the prelude and signal for universal rejoicing heralded more dramatically than on the Piazza del Duomo in Florence with the traditional Scoppio del Carro. A paper dove, running along a wire stretching out from the cathedral, sets fire to a wooden, flower-bedecked cart standing in the main square in a ceremony which recalls the ancient custom of lighting a holy fire at home on Easter Eve.

However, religious ceremonies and processions throughout Italy, whether elaborately staged or carried out as restatements of faith among small village communities, are by no means confined to Easter. The anniversaries of many saints are commemorated locally and Corpus Christi and the Assumption are major dates in the church calendar.

One of the most famous and spectacular of all traditional events, the Siena Palio, staged annually on July 2 and August 16, when horsemen from the competing contrade—the guilds into which the mediaeval city is still divided—competing for the glory of winning the Silken Banner (Palio), race around the strangely—lopsided and uneven Piazza del Campo. The Palio combines a religious aspect with the secular as horse and rider are blessed before risking life and limb in Europe's most frenetic and dangerous equestrian happening.

The Feast of the Assumption on August 15, coinciding with Ferragosto, Italy's equivalent of our August Bank Holiday, is widely celebrated and I still remember vividly attending the celebrations at the little walled town of Portovenere, facing out across the Gulf of La Spezia towards Lerici. Flaming torches had been set up on the crenellated battlements as the town band, playing with deep sincerity but occasionally a bit discordantly, led the solemn procession past little altars set out in front of houses and shops alike in a simple profession of faith, none the less moving for the occasionally muffled notes from the brass section.

Elsewhere the ancient pagan Festival of Snakes at Cocullo, transformed over the centuries and now celebrated on the first Sunday in May, is dedicated to S. Domenico, the town's patron. His statue, covered in a writhing mass of live snakes, is processed throughout the town.

Holy week marks the climax of that life which began so simply in a Bethlehem stable and, at Pardis in the Province of Friuli-Venezia Giulia, a full-sized crib is displayed in one of the caves in a setting somewhat similar to that of the original manger.

In the Sicilian capital of Palermo, S. Rosalia, the city's patron who saved the town from destruction by the plague in the 17th century, is commemorated with solemn nocturnal processions in July and September with thousands of pilgrims, carrying torches, walking up to the shrine located in a sacred cave.

October 4 sees the annual celebration of the Feast of St. Francis at Assisi and the specialist tour operator, Inter-Church Travel, arranges some imaginative itineraries covering these celebrations as well as other major Christian festivals in Europe and beyond.

If you are travelling through Italy, you may well suddenly come across a local procession taking place even in the tiniest village. I only learnt about the one at Portovenere on arriving in Lerici and crossed over for the evening. Local tourist offices can generally provide comprehensive details about the events in their own area.

ADDRESSES: Inter-Church Travel, 125 Pall Mall, London SW1Y 5EA. Italian State Tourist Office (ENIT), 201 Regent Street, London W.1

PAUL MARTIN

ST. PETER'S, ROME

BOOKS

Discovering the dreadful case of Mr. Crump

BY C. P. SNOW

The Case of Mr. Crump by Ludwig Lewisohn. Allen Lane, £5.95. 333 pages

Ludwig Lewisohn's *The Case of Mr. Crump* is the most depressing novel I have read. It is also one of the few classic novels of this century. No one had ever told this kind of truth before and no one has done so since. We all know in theory about lives of quiet desperation. This is what such a life is like. We all know that there is no justice under heaven. If there were, Mr. Crump didn't deserve his fate. It is hard to turn the pages, and have to accept, through the unsparing, unsentimental words, what his fate must be.

The history of the novel itself is unusual. The author was born in Germany in 1882 and taken to America in childhood. Before he finished Crump in the mid-1920s he had already held academic jobs, produced scholarly and other works, joined the staff of The Nation (a journal comparable to its English namesake). When the final version of Crump was ready, it couldn't be published in American for another twenty years. Why the delay? Threats of libel actions, we are told. That may not be the whole explanation.

The book is written out of a wound of life. It is foolish to be too positive, but one would guess that in essence that was a wound the author had suffered. There is no reason to assume that the details of the novel are autobiographical. From external evidence, many can not have been. But some of the inner content it would have taken a genius greater than Dostoevsky to invent.

In the 1920s, the book was published in Paris, and made its way in a subterranean fashion, mainly in a French translation. It was one of the under the counter novels of the period, along with *Ulysses*, Djuna Barnes's *Nightwood*, the works of Henry Miller. It is not remotely pornographic, and is totally unlike any of those. Lewisohn, who was a powerful critic as well as everything else, had no use whatever for modernism. In fact, *The Case of Mr. Crump* would have been entirely impossible to write in any modernist idiom. It had to be free of the most vestigial trace of literary self-consciousness. That Lewisohn achieved, as naturally as any novelist has ever done. When he ended a nomadic life, he settled down as a professor of comparative literature, back at Brandeis, University. Before that, he had written other novels. It would be instructive to discover how they compare with *The Case of Mr. Crump.*

Crump is a desolating hero. The book is simply, but under the surface not so simply, the account of a desolating marriage. Crump is not romanticised, but, so far as it is given to most human beings, he is decent, kind, and well-intentioned. He has equally decent German Lutheran parents living in upright austerity. The Crumps have a musical tradition, and Crump possesses talent. (One of the elements in the book which does not carry ultimate conviction is the rise of Crump despite his miseries, to musical fame.)

He goes to New York, almost penniless, to make his way. There he has an idyllic love affair with a girl who is also a musician but less idealistic about art than he is. She goes off to make money, and, in a vulnerable state, Crump meets a married woman, Anne Vilas. She is twenty years older than he is, but conceals that and other facts about herself under a cloud of romantic lying.

Crump is an unsophisticated young man in his early twenties, and takes a long time to disbelieve anything she says. He hasn't much desire for her, but likes having a conquest in New York. He walks higher, he feels more like an artist, for having a mistress. When she has got him into bed, it doesn't take much contrivance for her to make him feel that he has broken her marriage. He isn't without foresight of some, not all, of the fates ahead. But, step by step, there is no way out. She gets a divorce. He has to marry her.

Anne is a monster. She is sometimes appealing. She asks for love and, though she is using the blackmail of pity, that can be a genuine cry—sometimes one feels, more genuine than the writer allows. Otherwise, she is as rapacious as any woman in fiction—or outside it. She makes all the demands there are, sexual, financial, emotional. The young man has to provide for her entire family, a mother, three children. Anne gives him no peace, makes no effort to run his home, expects him to admire her wonders and virtues, will make no economies either for herself or her manic elder daughter, runs him, however much his income grows, increasingly into debt.

She becomes jealous of his success. She becomes raveningly jealous of any woman he *looks* at, when he tries, pathetically, to find consolation in a sympathetic girl. As he begins to get artistic recognition, New York hostesses try to help him on. Anne calls on them and creates vituperative scenes. All his friends know what she is doing. No one is capable of beating down an ego so powerful and so impenetrable. Bitterness, humiliations. Anne knows all of that, but she is still intact, without pity, except for herself. Crump has nothing like the hardness to resist her. He searches in desperation to get away, but his will is soft beside this ferociousness.

The progress of his misery has nothing like the comfort of grandiose tragedies, from which one can always absent oneself and not deep down believe. In *The Case of Mr. Crump* one is compelled to believe and can't absent oneself for an instant. It is a great book, but I shall not bear to read it again.

There is one residual doubt. It is possible that the final two pages should have been omitted, so that Crump and his wife are left in limbo.

John Piper (centre) and Osbert Lancaster at work on their spectacular main vista for the Festival Gardens in 1951. Mr. Piper is the subject of a new book reviewed below

Appeasement and purse strings

BY ZARA STEINER

British Rearmament and the Treasury, 1932-39 by G. C. Peden. Scottish Academic Press. £6.00, 227 pages

Dr. Peden, using departmental records, private papers and supporting interviews, has reviewed the role of the Treasury in the British re-armament programme. He sympathetically describes its influence in settling the overall financial framework within which re-armament took place and its part, in the absence of a Ministry of Defence, in the formulation and execution of defence policy by the three service ministries. He confirms earlier impressions of Treasury power and illustrates the key contributions of Warren Fisher, Richard Hopkins and Edward Bridges from the early 30s until 1938 *when the increasing danger* of war weakened Treasury control over expenditure.

Though the Chamberlain papers proved particularly useful, Dr. Peden has concentrated on the Treasury, rather than on the Cabinet, level of decision-making. Even within this more limited focus, there are unexplored questions, particularly with regard to the U.S. Nevertheless, Dr. Peden's book contains a great deal of important information which cannot be ignored in the continuing debate about appeasement.

For the Treasury, as for the Government, the aim of re-armament was deterrence rather than preparation for war. Appeasement and re-armament were two sides of the same coin. The *emphasis* on deterrence underlay Treasury thinking about the sums to be spent on re-armament and how the money was to be apportioned between the services. The prevailing belief in a balanced budget and fears of a second 1931 ruled out the raising of large additional sums through taxation or a Defence Loan. Taxes, lower than in Germany, were only modestly and slowly raised. Though the Treasury was converted to a Defence Loan in 1935, the Defence Loans Bill (1937) was carefully framed to avoid any inflationary pressures.

Throughout the period, the Treasury feared that re-armament would over-heat the economy, and precipitate a balance of trade crisis, fears which were intensified by the adverse balance of payments which developed during 1938-1939. Chamberlain, reflecting Treasury views, was oppressed with the sense that the burden of armaments would break the British back.

Even if deterrence failed, a strong economy was the fourth arm of defence. The Chiefs of Staff warned that Britain could not win a short war but would win a long war if she could mobilise her overseas resources. This meant that her financial and economic position abroad must be preserved despite the need to expand her armed forces. Defence spending could not be allowed to interfere with the normal flow of production and trade. Even though the Treasury recognised in 1935 that Britain was strikingly short of industrial capacity, particularly skilled labour (despite an army of unemployed), only modest steps were taken to create new capacity.

If one accepts the Government's political premises—that war could be averted through negotiation with Hitler—and the prevailing economic orthodoxies of the day, then Dr. Peden makes a good case for the salutary effects of Treasury intervention and control. It was necessary, as the Treasury insisted, that the Government set a figure for spending and devise a list of strategic options which the departments would accept. Though not technological experts, the Treasury officials, through their control of the purse strings, could and did influence the choice of priorities and enforce departmental compliance. It was, as Dr. Peden confirms, Chamberlain and Fisher who persuaded the Cabinet in 1934 to adopt a policy of deterrence based on air power and who, in 1937 when it became clear that Britain could not achieve bomber parity with Germany in the short-run, advocated the switch to a defensive air strategy.

The Navy, unlike the Air Ministry, was less successful in opening the Treasury purse. Fisher strongly opposed its futile attempt to achieve a Two Power standard. Dr. Peden, however, questions Captain Roskill's claim that the Navy suffered excessively from Treasury parsimony and argues that the fault lay in its own faulty choice of strategic options and equipment and, above all, in the absence of industrial capacity which meant that the Admiralty could not even spend the funds allotted to it. The Treasury added to the pressures which resulted in a down-grading of the Army's Field Force though it seems to have been Chatfield and Hankey who opted in 1937 for an imperial rather than a continental role.

In general, Dr. Peden concludes, Treasury control was effective *in preserving order on* the defence spending queue. Given the limited resources available, the Treasury saw that the Cabinet's priorities were preserved and that Britain's minimum requirements for air and trade defence were met first.

Dr. Peden's balance sheet is heavily weighted on the Treasury side. It can be argued that the country could have re-armed on a far more extensive scale without courting economic disaster and that a greater effort might have impressed Hitler more than the unsuccessful race for bombers. Dr. Peden claims that both in the short and long term, Britain's capacity for re-armament was inferior to that of Germany and that no-one could count on American assistance. It is certainly true that the fundamental weaknesses of the British economy could not be laid at the Treasury door though its officials must take some share of the blame. The key point is, however, that the policy of appeasement and re-armament failed and one obscures the Treasury's partial responsibility for this failure if one judges its role without reference to the political framework which its leading officials helped to create and sustain.

Painterly pleasures

BY RACHEL BILLINGTON

John Piper by Anthony West. Secker and Warburg. £14.95, 224 pages

"The sequence of experiences that lead an artist step by step to the point at which he must recognise that he has no alternative but a commitment to his art is never particularly easy for him to describe, or for another to reconstruct." So writes Anthony West at the start of this lavishly illustrated exploration of a painter's way. In fact, although such an awareness of the problems of his task well illustrate Mr. West's serious purpose, he has managed not only to detail convincingly the emergence of a major artist but also the development of his work through the years.

Those who wish to know the secrets of Jhon Piper's private life will find little to interest them here. The break-up of his first marriage, for example, is seen purely as it affected and was affected by his work. His second marriage to Myfanwy Evans which produced four children is given less space than the farmhouse where they set up home in 1935 and still live. The house, in Mr. West's description, became an extension of his work. It

"was not one for a bohemian artist in the romantic tradition to inhabit, it could only be lived in comfortably by a hardworking professional with a professional's sense of the horizons set by his degree of mastery of the processes of his craft."

This dedication to increasing understanding of the man only in relation to his work makes refreshing and concentrated reading. It deserves more than the picture book's usual fate of a superficial dip or almost worse, a once-and-for-all gulp. Since Mr. Piper is now into his seventies and started practising the visual arts during his teens, Mr. West has been obliged to consider the condition of art in Europe from early Picasso onwards.

In one sense his task has been made easier by John Piper's resolution to remain his own man. At times he has been fashionable, notably in the 1950s, at times he has not, notably in the 1960s. At that time an Arts Council publication described his work of the '40s and '50s as "a nostalgic retreat into insular sensibilities." One wonders how much this shook his confidence.

To judge from the variety and strength of his later work—oil paintings of the late 1970s are reproduced in colour at the end of the book—very little. Perhaps his belief that the development of the artist comes from inside the work rather than any outside interest helped him to remain strong. As, Mr. West puts it:

"It is a waste of spirit for him (the artist) to meet externally generated challenges, and to attempt to produce work conforming to ideological and social requirements formulated by others in response to their own pressing necessities and irrelevant to *his own*."

On the other hand a glance at the book's appendix in which Piper's major work is listed shows how he became almost an establishment figure, even having a painting reproduced as a postage stamp in 1968. The variety of his artistic interests is also evident: from early collages to stage designs, from elaborate tapestries to the magnificent stained glass in Coventry and Liverpool Cathedrals.

Nevertheless the essential impetus for his work always seems to come from his perception of landscape and architecture. Mr. West describes the sketchbooks of his middle years as containing the germs of all his major works. Piper would often make 10 or 15 trials of a particular motif while working it up to an acceptable treatment.

The glistening Venetian paintings, *the delicate French turrets* arising from rows of stumpy trees, the sinuous greenness of grottoes at Stowe have an immediate, magical appeal. The Welsh mountains, the Irish fields, the English churches are made more fascinating in this volume by the photographs, usually taken by Piper himself, laid beside them. One of John Piper's earliest influences (before Dufy or Turner or Claude) were guide-books to the English countryside. His first exercises in drawing were in imitation of the series "Highways and Byways" illustrated by Penell or Griggs. It is a measure of his success that he has never needed to disown them.

Crime catalogue

BY ELIZABETH FORBES

The Man who lost his Shadow by Bertie Denham. Macmillan, £4.95. 223 pages

When Sir John Elton, shadow Home Secretary and chief opponent of the Legalisation of Cannabis Bill, changes sides just before the Bill comes up for debate in the House of Commons, his party is naturally worried. Derek Viscount Thyrde, a junior Whip in the Lords, becomes Opposition spokesman on home affairs in order to investigate the reason for this volte-face. Convincing political thrillers being extremely rare, Lord Denham's maiden effort, well-informed and entertaining, is most welcome.

Madman at my Door by Hillary Waugh. Gollancz, £4.50. 252 pages

After nine years in Burnham Institute, triple murderer Orville Elliot is released, supposedly cured of the insanity that drove him to rape, kill and mutilate three young women. Herbert Murdoch, school-teacher husband of the third victim, was instrumental in Elliot's capture and refuses to believe in a cure. When the police deny that there's any danger to his new wife or young children, Murdoch takes his own panic-stricken precautions against Elliot's meticulously planned revenge and tension becomes acute.

So soon done for by Marian Babson. Collins, £4.25. 180 pages

The residents of Crozier Crescent—music critic, advertising agent, airline pilot, lecturer in sociology—are appalled when the house left temporarily vacant by the Norrises, globe-trotting travel writers, is taken over by squatters. Elfrida, fecund survivor of Flower Power days, who already has three children by different fathers and is expecting a fourth, poses a real threat to the Crescent wives and at least one of their husbands. Though murder is long delayed, suspense builds up nicely.

This Fatal Writ by Sara Woods. Collins, £4.25. 191 pages

Anthony Maitland defends a journalist accused under the Official Secrets' Act of passing highly sensitive information to the Russians. If Charlton is not guilty, as he swears, someone is going to a lot of trouble to frame him. However Maitland's chief preoccupation—and the reader's—is that he and Jenny may have to move from Kempenfeldt Square now that Sir Nicholas and Lady Harding (née Vera Langhorne) have returned from their honeymoon.

Double, Double, Oil and Trouble by Emma Lathen. Gollancz, £4.50. 255 pages

It was inevitable that North Sea oil would sooner or later engage the attention of Emma Lathen. When the European manager of Macklin, an American construction firm, is kidnapped in Istanbul, repercussions are felt on Wall Street as the Sloan Guaranty Trust is financing Macklin's bid for a billion-dollar oil base in north Scotland. John Putnam Thatcher, the Sloan's senior vice-president, personally delivers the ransom money to a bank in Zurich, but the hostage is not released. Meanwhile in London negotiations with the Department of Energy must continue. Though Thatcher, in my opinion, is most effective when he remains on Manhattan Island, there is no denying the fascination of the skulduggery here revealed.

Bertie Denham: fictional debut

Lucky Devil by Arthur Maling. Gollancz, £4.50. 243 pages

For his second case, Brock Potter of the New York brokerage firm of Price Potter and Petanque finds himself in Salt Lake City investigating the near-fatal accident of a colleague who has been enquiring into Lucky Devil Minerals Inc., a hitherto worthless stock that appear suddenly to have become valuable. Brock, a generation younger than Thatcher, takes a more active—and dangerous—part in solving the mystery than does the banker. As a background to crime the brokerage business proves equally engrossing as the banking scene.

All on wheels

BY NICHOLAS OWEN

Golden Age of Buses by Charles F. Klapper. Routledge and Kegan Paul. £8.75, 248 pages

The Motoring Edwardians by Peter Roberts. Ian Allan. £6.95, 242 pages

Fire! The Story of the Fire Engine by Simon Goodenough. Orbis. £4.95, 160 pages

The Pictorial History of Trucks by Eric Gibbins and Graeme Ewens. Orbis. £5.95, 156 pages

Buses have become boring in the last few years. That may read like one of those good-old-days assertions, but I doubt if bus watchers or operators would disagree. Standardisation, the demands of mass production, and increasingly rigid legal requirements have gradually eroded individuality. Poverty among those who run buses has played its part too.

But there was a golden age, and Charles F. Klapper's book measures it from 1662 (a horse bus in Paris) to a few years after the Second World War, the gold turning dull as the motor car won the upper hand. This book is no nostalgic canter, but a detailed history of how various systems developed, with particular reference to the British Electric Traction and Tilling companies which dominated the scene for many of the latter years of the golden age.

A certain patience with intricate route histories and vehicle types is called for, but the public *transport student should feel the* effort rewarded. A personal interest ought to be declared: the the front cover enchants me as it reproduces a 1914 poster of an open-topper puttering over a Surrey common near my home on its way back to London full of contented week-ending Edwardians!

Of course, not all the contemporaries of those on that omnibus were tied to public transport. Peter Roberts, in *The Motoring Edwardians* brings together the vehicles, the fashions—a lady fully kitted out for pre-First War motoring looked as though she was going to be hanged rather than taking a car ride to judge by the all-enveloping headgear—and the pioneer private motorists themselves.

In fact, remembering the muffled lady, *dust* seems to have been the principal bugbear, dwarfing even the incessant need for tyre-changing as a dampener on early motoring. But there was one enormous compensation. As Mr. Roberts puts it so neatly: ". . . most motorists of the first couple of years of the century could lay odds against clapping goggles on a single other motor vehicle during a day's run."

A pricing curiosity, finally. The same publisher has produced a pictorial history of trucks and another on fire engines but priced the first at £1 more for about the same amount of text. Actually *Fire! The Story of the Fire Engine* seems the better buy. Who hasn't wanted to sit behind the wheel of one of those glistening red machines, brushing all other traffic aside in the name of emergency? Simon Goodenough's book is full of gleaming fire engines, and raging flames (are we all secret pyromaniacs too?), but it seems hard to love workaday trucks. Messrs. Gibbins and Ewens in *The Pictorial History of Trucks* do, and, like Mr. Goodenough, concentrate *mostly on the U.S. That does at* least give them the excuse to write about and show trucks which have co-starred with Hollywood idols. A pound more for a touch of show biz?

Taboo-breaker

BY PETER KEATING

Havelock Ellis: Philosopher of Sex by Vincent Brome. Routledge, £8.95. 271 pages

Havelock Ellis believed that autobiography was one of the most enduring and valuable forms of non-imaginative literature, and his own autobiography *My Life* was composed in the conscious hope that it would be ranked eventually with those of St. Augustine, Casanova, and Rousseau. Ironically, the publication of *My Life* in 1939 affected Ellis's reputation in a very different way: confessional the book certainly was but the personality that emerged from it was quaint and uxorious rather than pioneering and daring. Ellis's reputation has never fully recovered from the shock.

Yet Ellis's historical importance is undeniable. His family background was respectable, middle-class and mid-Victorian, though in certain respects unconventional, and he grew up to become one of the many young men and women of the late Victorian period who by rebelling against the dominant values and attitudes of their parents' generation created the world that is characteristically ours. In Ellis's case the form this rebellion took was a determination to spend his life unravelling "the problems of sex." In *The Sex Researchers*, Edward Brecher claims that "no man alive or dead contributed more" to changing attitudes to sex in the present century than Havelock Ellis. That judgment may be exaggerated but it is by no means foolish.

The first part of what was to be Ellis's major work *Study in the Psychology of Sex* appeared in 1897. It dealt with homosexuality or "inversion" and set the pattern of the volumes that were to follow. Through a *straightforward* discussion of detailed case studies Ellis demonstrated that sexual behaviour varied greatly from person to person and could not usefully be discussed in terms of absolute moral judgments: he also insisted on the essential normality of many sexual practices regarded publicly with horror in Victorian England. Countless people must have been helped to shed unwarranted fears and frustrations by reading about their "problems" in Ellis's books. His methods may have been unscientific by modern standards, but he was a genuine pioneer, a breaker of taboos.

Unfortunately for Ellis's reputation, his personal life was so odd that undue emphasis on it tends to obliterate the importance of the work. It is this that makes his autobiography seem wrong, and much the same can be said of Vincent Brome's *Havelock Ellis: Philosopher of Sex*. Mr. Brome traces the development of Ellis's ideas and places these critically within a wider, usually Freudian, setting, but on his own admission he *pays little attention to historical* background or period. He is concerned almost entirely with interpreting the life. And there is no shortage of material.

Basically a very shy, reserved man, Ellis had a passionate affair with the novelist Olive Schreiner, married a practising lesbian, had affairs, of various kinds, with several other women, and later in life formed a close relationship with Francoise Délisle (le de Ellis) who was already married with two children. No doubt confessional sexologists deserve to be psychoanalysed, and Ellis did set an example for his biographers to follow, but even so Mr. Brome's investigations into what exactly went on in these relationships seem at best inconsistent and at worst, voyeuristic.

At different times Ellis is seen as "a practising masochist," as a frustrated Casanova, as "impotent," as a "*homosexual*" and then as a "repressed homosexual." He himself admitted to being a disappointing lover, at least in a conventional sense, and, as a result of his mother flamboyantly urinating before him, to have suffered all his life from what he named as "*urolagnia.*" *Obsessed with his* mother he undoubtedly was, and to his wife he could write: "Love is funny and I am funny. It needs its wifie's little breasties every two hours like a baby, and if they seem far off—it do shriek!" It is really all too much to take seriously. Viewed in his time and of his time, Ellis is full of interest, but treated as a case study he seems only weird.

Ivory tale

BY KATE MORRISON

Journey in Tears by Chow Ching-Li as told to Georges Walker. W. H. Allen, £5.95. 262 pages

Ching-Li, who is now a celebrated pianist and successful business woman living in Paris, recounts her girlhood in a surprisingly dispassionate manner considering the conflicting feelings evoked in her by her family and the upheaval of the revolution.

The *strife which* is prevalent throughout this unusual and disturbing story is, it seems, the result of being caught between the disintegration of traditional China and the advent of the new China; and even within her family she is torn between Eastern and Western ideas. Her westernised father, in contrast to her peasant mother, believed in education for girls, and that his daughters should be brought up to use their heads rather than their hands. Her mother, however, clung to the beliefs of the China that was, crumbling away—that a virtuous woman was the embodiment of subservience and humility.

From both her parents she was inculcated, in the Confucian way, in strong moral principles, in "overcoming one's personal self." This has given her a remarkable gift of accepting whatever fate has to offer; for example her anguish on being "sold" in marriage at 13 in deference to her parents' wishes. That, her father, in spite of his liberal philosophy generally, could have sacrificed his daughter for material benefit is just one of the amazing contradictions of the book.

Exclusive Cambridge young men

BY K. NATWAR-SINGH

The Cambridge Apostles: The Early Years by Peter Allen. Cambridge University Press, £12.50. 266 pages

Bertrand Russell, who along with E. M. Forster and Maynard Keynes, was perhaps the most famous Cambridge Apostle, once said that the Ten Commandments should be approached like a Cambridge examination paper on the basis that, "only six need be attempted." After reading Mr. Peter Allen's sound, but not, I regret to record, lively book I came to the conclusion that one should approach his early Apostles in a similar manner. Not all are to be taken seriously, not all are from the top-drawer intellectually. High-minded, earnest, brilliant, public-spirited they might have been but today only the names of F. D. Maurice, Henry Sidgwick and Tennyson ring a bell. All three were remarkable men. The influence on Maurice of this Cambridge elite may not have been wide but it was deep. The Working Men's College which he founded in 1854 was to have a distinguished list of teachers and made a notable contribution to liberalising British attitudes on a number of major issues.

Nevertheless, the impact that the Society made on the early Victorian age was not insignificant in the fields of religion, education, philosophy and intellectual life in general. It attracted young men of diverse intellectual, literary, political and philosophical interests. Their passion for free discussion (as opposed to argument) ensured enlightened airing of their innermost feelings with absolute candour on all possible subjects. They also (perhaps inadvertently) awakened to the perils of becoming an intellectual Mafia and never degenerated into one. Some of them took themselves more seriously than necessary and one or two like Sterling and Kemble displayed extravagance both in speech and behaviour but did no damage on a large scale.

Mr. Allen traces the history of the Society from its inception in 1820 to the middle of the 19th century and devotes much space to the 1820s and 1830s. His chapters on F. D. Maurice are well-informed. He has been meticlous in his research and impartial in his judgements. He offers good *reasons for* the Society's capacity to survive. In spite of all his scholarly skill the book does not offer gripping reading. This is to some extent understandable as the early Apostles were not quite as engaging and original a set as G. E. Moore, Bertrand Russell, Lowes Dickenson, A. N. Whitehead, Roger Fry, E. M. Forster.

COLLECTING

Art for the many

BY JUNE FIELD

But the true doctrine (is) that labour should be a real tangible blessing in itself to the working man, a pleasure even as sleep and strong drink are to him now.
William Morris—
Art and Socialism, 1884

For William Morris (1834-1896), *the failing of the Firm*, as his furnishing and decorating business came to be known, was its inability to cater for anyone but the rich: "I don't want art for a few, any more than education for a few or freedom for a few." And it is because only a small number of different objects were produced, admittedly covering a wide scale—furniture, textiles, tapestries, carpets, tiles, wallpapers, metals, stained glass—that they have become desirable for the collector, although only over the last decade.

And it looks as if the Fine Arts Society's *Morris and Company* exhibition in association with Haslam and Whiteway at 148, New Bond Street, London, W1, April 24 to May 18, could be a sell-out. After a limited taster at the eclectic first *Decorative Arts Fair 1840-1939*, at the Camden Arts Centre last week, museums from all over the world, including the Victoria and Albert, and the new project for 19th century art in Paris, already have their eye on some of the 222 Morris-associated items in the Fine Arts Exhibition, some two-thirds of which will be for sale.

Morris Marshall Faulkner and Co. was established in April 1861, at 8, Red Lion Square, directors including Ford Madox Brown, Dante Gabriel Rossetti, Philip Webb and Edward Burne-Jones as well as P. P. Marshall and Charles Faulkner. In 1865 it moved to 26, Queen Square, and in 1875 became Morris and Co., with Morris as sole proprietor. In 1877 showrooms were occupied at 499, Oxford Street, and in 1881 extensive workshops at Merton Abbey, while in the 1920s the showrooms were transferred to 17, George Street, Hanover Square, where they remained until the company went into voluntary liquidation in 1940.

Rare William Morris designed tile recorded on the back as one that Morris actually painted himself; it will be on show at the "Morris and Company" exhibition in association with Haslam and Whiteway at The Fine Arts Society, 148 New Bond Street, London, W1, April 24 to May 18.

A long span, taking in the Arts and Crafts, Aesthetic, Arts Nouveau and Deco periods, styles neglected by the traditional antique dealers, but being researched in depth by the new breed of enthusiastic young art dealers — Editions Graphique, Gallery 25, L'Odeon, John and Diana Lyons Gallery, Dan Klein, Jeremy Cooper and others.

The Morris and Company exhibition concentrates on the early works of Morris and his circle, and the excellent illustrated catalogue (£3.50 post free *from Peyton Skipwith, Fine Arts Society, 148 New Bond Street, London, W.1) has an* introduction by Charlotte Gere *with an essay by Dr. Mordaunt* Crook on the painted furniture of William Burges (1827-1881). On show will be two superb pieces with impeccable provenance, one designed in collaboration with W. Gualbert Saunders who worked intermittently with Burges for 15 years.

There is also a handsome sideboard by American-born architect George Jack (1855-1932), who in 1890 was the firm's chief furniture designer. He originally worked in architect Philip Webb's office, eventually taking over Webb's practice in 1900.

One of Webb's designs, an elegant oak side-table, possibly commissioned after 1860 by a Major Gillum, Oakleigh Park, New Barnet, is catalogued: "The inspiration for this work must be a Japanese altar table, a logical source of inspiration for this date, which saw such exercises in Japonaiserie as the *Poynter Grill Room* at the South Kensington Museum and Godwin's Japanese style furniture for William Watt and Co." *Understandably, the Japanese* have been inspired by the *current collection to consider a* Morris exhibition for Tokyo.

One of the chief research sources for the work of the turn-*of-the-century and 1920s and* 1930s designers is the publica*tion The Studio. Charles Holme,* who bought the Red House, Bexley *Heath from William* Morris in 1889, started the magazine in 1893 after he had "retired" as an East India merchant at the age of 40 or so. *The Studio: A Bibliography—The First Fifty Years 1893-1943.* and a *General Index To The Studio Magazine Vols 1-42 (1893-1908)*, both indispensable references, have just been published by Sims and Reed, 5 Piccadilly Arcade, London, SW1. The bibliography is £12, the index £20 both post free direct from them.

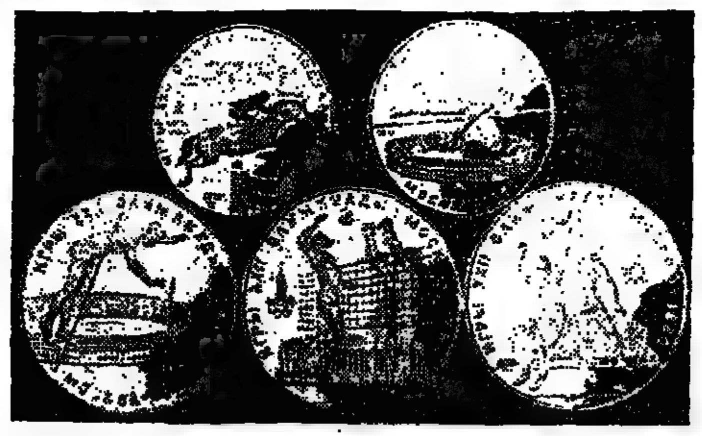
Ian Bradley's *William Morris and his world*, published by Thames and Hudson, £4.50, last year, brings all the characters to life, and three excellent new books which are required reading for the flavour of the whole period under review, are Isabelle Anscombe and Charlotte Gere's *Arts and Crafts in Britain And America* (Academy Editions *£10), which covers the establish*ment of the guilds as well as Morris and his circle, and the splendid *Phaidon Encyclopaedia of Decorative Arts 1890-1940,* edited by Philippe Garner (Phaidon £12.95).

The most stylish work is undoubtedly *Paris 1900 by Franco* Borsi and Ezio Godoli (*Granada Publishing £15). While in* no way commemorating Morris, it should be read as an interpretation of what was going on in the decorative arts only the other side of the water. Just out is Sotheby's Belgravia auction catalogue for their Decorative Art sale on 25 April which includes a painted pine cabinet in the style of Burges, some Morris wallpaper fragments, and Liberty chairs. (£2.50 from Christopher Payne, Sotheby's Belgravia, 19, Motcombe Street, S.W.1.).

Mementoes of the Russian Olympics

COINS

JAMES MACKAY



RUSSIA HAS a fine tradition of coinage going back over a 1,000 years to the early 10th century when the princes of Kiev struck primitive gold and silver pieces modelled on their Byzantine contemporaries. These coins bore a full-face portrait of Christ on the obverse, and the ruler's portrait on the reverse. During the 14th and 15th centuries the principalities of Moscow, Novgorod, Ryazan and Tver minted silver coins. Russia's first commemorative coin was a gold piece, struck in *the reign of Ivan III in the late*-15th century as a reward for *knights showing valour in* battle.

The emergence of a unified Russian state by 1534 led to a common monetary system based on the silver kopek. The effigy of St. George slaying the dragon was selected for this coin, and *this tradition was* maintained till the accession of *Catherine the Great. Higher* denominations, up to the rouble, portrayed the ruler on the obverse and showed the double eagle coat of arms on the reverse. Excessive military expenditure in the early 17th century exhausted the Tsar's silver reserves and for a time kopeks were actually struck in gold. German talers were imported, cut into four segments, counterstamped with an *equestrian portrait of the Tsar,* and circulated as quarter-*roubles.*

Copper was used for subsidiary coinage from 1655 but this had the effect of driving silver out of circulation. Monetary chaos was reduced by *Peter the Great who established* a state mint in his new capital *of St. Petersburg, and intro*duced the first definitive bi-*metallic series of silver roubles,* poltins and grivenniks and *copper kopeks.* Later he introduced the gold chervonets and double-chervonets. A century later the Empress Elizabeth added gold imperials (10 roubles) and *half-imperials* (5 roubles).

The world's first circulating coinage in platinum appeared in 1828 when Russia introduced 3, 6 and 12 rouble pieces, minted from metal recently mined in Siberia. It has to be admitted that these platinum coins were not very successful. There was a certain measure of public antipathy towards them *since they were easily confused* with the silver coins of corres*ponding size but much lower* value, but they continued to appear *sporadically* until 1845.

Tsarist expansion against Turkey and also in the Far East was largely financed by paper *money which led to inflation and* the monetary reform of 1897. *Imperials and* half-imperials were retariffed at 15 and 7½ roubles, and new 10 and five rouble gold coins were introduced with just two-thirds of the intrinsic content of their predecessors. The Russo-Japanese War and the First World War triggered off inflation and by 1915 even the *smallest silver and copper coins* had disappeared, to be replaced *by postage stamps printed on* thick cards, with an inscription on the reverse denoting their use as coinage.

The Bolsheviks attempted to restore monetary order and *issued silver coins in 1921,* followed by gold 10-chevronets coins. Inflation continued to soar, however, and the gold 150,000 paper roubles. Currency rouble achieved a value of stability was restored in 1924 when the Soviet mints struck rouble and half-rouble coins in .999 fine silver and 20, 15 and *10 kopek coins in .499* fine silver, as well as one, two, three and five kopeks in aluminium bronze. Cupro-nickel replaced *.499 fine silver in 1931 and this* alloy has been used for all of the higher denominations since the currency reform of 1961.

During the Tsarist period handsome silver roubles were issued to commemorate historic anniversaries, such as the Battle of Borodino. One of the most attractive coins, a 1½ rouble of 1835, portrayed the Tsarina and the nine children of the Tsar on the reverse. Other coins celebrated the coronations of Alexander III and Nicholas II, in 1883 and 1896 respectively. The last of the *Tsarist commemoratives had* an ironic twist; issued in 1913, *it celebrated the tercentenary* of the Romanov Dynasty and *portrayed Nicholas II and* Michael Feodorovich side by side.

The Soviet Government has made surprisingly little use of commemorative coinage until now. The first issue was a cupro-nickel-zinc rouble of 1965 marking the 20th anniversary of the end of the Second World War. Since then there have been similar roubles for the 50th anniversary of the October Revolution, Lenin's birth centenary, the 30th anniversary of peace in Europe and the 60th anniversary of the foundation of the Soviet Union.

As host to the 1980 Olympic Games, however, Russia has *adopted the policy laid down by* previous host countries and is currently midway through an ambitious programme of coins, in gold, silver and platinum. The gold 100 rouble coins are not available to UK residents, and the limited allocation of the platinum 150 rouble coins tends to be snapped up immediately. Even the first of the silver sets (three 10 and two 5-rouble coins) is *performing much better in the* second market than had been anticipated and this has stimulated demand for the *second series, currently on* offer from Spink's and Paramount, the UK agents *for* the Moscow Olympic Coin Programme.

Where second rate comes last

FOOD

IAIN FINLAYSON

OVER THE past five years the Connaught Hotel, in Carlos Place, has surfaced from decades of quiet torpor to be *recognised* as possibly the best hotel in London. It has none of *that international* Hilton homogeneity, no trace of Ritz rococo, is less dashing then the Dorchester, eschews Savoy sophistication and, if it is possible, tends to be more conservative than Claridge's. It resembles nothing so much as a rather grand hunting lodge to which the servants have been sent up to open the place for the gentry. In the hierarchy of hotels, it occupies an ambiguous niche, being top rated by most restaurant and travel guides which combine an attitude of awed respect with an itching desire to find a fault, any fault, the tiniest of worms in the bud of its rectitudinous respectability and sanctifying grace.

Egon Ronay's Lucas Guide for 1979 awards The Connaught a rating of 92 per cent, presumably allowing 8 per cent for human error. This is 2 per cent more than Claridge's and a quibbling 1 per cent less than The Berkeley Hotel. Christopher Driver's 1979 Good Food Guide does not rate the hotel as a whole but awards the Grill Room and *Restaurant of The Con*naught a faintly grudging acco*lade of excellence. It is perhaps* the fame of the Connaught's cooking that has attracted so much attention to the hotel in recent years, and certainly chef *Michel Bourdin is an acknowl*edged star in the culinary firmament.

Driver is cautious about the capability of Bourdin's *minions* and both Ronay and the Good Food Guide recognise the inevitable—that preference is shown to regulars and the famous.

The food is absolutely delicious. For £13.80 I worked my way through Croustade d'Oeufs de Caille Maintenon, Contre-filet de Boeuf Farci Bressois avec Compôte de Légumes Frais and little roast potatoes, followed by pears in red wine. A platter of toffeed fruits and petits fours accompanied the coffee. With that, a half bottle of Château Loudenne '72—a light, aromatic Médoc. The £13.80 includes VAT, but add on a 15 *per cent service charge* and 65p for the coffee.

At present London restaurant prices, this is not a wildly expensive *dinner—although* a party of eight persons entered the dining room on my departure and I calculated that the breathtaking cheque to be written by the host for his beano would be little less than £150. The restaurant is extremely labour-intensive, so that the diner merely has to raise his eyebrows and nod at the wine bottle for action to be taken.

According to Mr. P. Zago, director and general manager *of the Connaught, his staff is* chosen according to three criteria—*qualification for the job,* professionalism and a sense of tradition. Tradition is the word which crops up time and again in Mr. Zago's conversation and one of the traditions is a low profile. I was not permitted to speak to any of the staff and only after a good deal of cajolery would Mr. Zago consent to see me. I have the feeling that customers have a similarly hard battle for acceptance.

The Ritz Hotel, like justice, *may be open to all*—less so the Connaught: Mr. Zago pointed *out: "We are not a grand hotel.* We are a small hotel; we select our clientele and we do not take people by chance who simply turn up without a reservation. We take clients only by advance booking and by recommendation. We want to know who our clients are, and if we know them we get feedback from them. This enables us to give our clients what they want."

The Connaught Hotel, London.

The Connaught client is not the young international jet-hopping executive who travels fast and wide, descending on hotels able to offer all-night coffee shops, a disco, pre-packaged comfort and four course meals in the small hours of the morning. Indeed, so traditional has The Connaught remained that clients, and some American clients in particular, have been heard to express their dissatisfaction with room service, allegedly available on a 24 hour basis.

Mr. Zago claims, contrarily, not to be a modern operation and that The Connaught resembles, in attitude, a large private house: "The generation *with a traditional expectation* of hotel service does not travel so much, but *our clients enjoy our* approach. I cannot serve lobster at 4 am. I am who *I am* and my hotel is what I make it. I am a professional dedicated to giving pleasure, comfort, good food and good service. Since 1973, tradition has collapsed. It is my job to preserve what tradition is left without being uncommercial. My waiters are in tails, for example. It is probably uncomfortable for them, and tails are not cheap any more. It may soon come to the point that my waiters will no longer be able to afford to wear tails any longer—their suits are very expensive. But if that happens it will be a failure of external circumstances rather than any failure in our own standards."

Mr. Zago's standards have become second nature throughout a career which takes in ten years as reception manager at the Gritti Palace, manager of *the Excelsior Palace* only a few miles farther out in the Venice Lagoon, thence to appointment at the Berkeley Hotel while it was still under construction, and finally to The Connaught in 1973. "I am Italian. I know what it means to run a hotel of this size, class and capacity. If The Connaught is a success it is through a continuous renovation within the tradition of the hotel and the participation of the staff in decision making, always taking into account the requirements of our guests."

Unlike Venice, where a "season mentality" is necessary, Mr. Zago finds the West End of London a continuously demanding market. "We have to give quality before we can ask our clients to pay for it. London is an international political metropolis, and when *you deal with the top you don't* mess around. We have a sub*stantial British clientele* and we take care of them. I owe my *focus to the British standards* of service and value for money. *The British are always very fair* in their expectations."

That last defensive statement is scarcely, on the face of it, the highest note on which to end. It does not, however, I think, imply self-satisfaction or any resting upon laurels. It is precisely tradition that will attract international rent-a-room travellers when they have tired, finally, of wresting the pre-pasted tooth-brush from its *plastic wrapping. The fact that* one cannot scream for Lobster *Newburg at 4 am,* and get it, is an acknowledgement of the obligations of a guest and the responsibilities of a host. Ask nicely, however, and you may cajole a sustaining snack to console until breakfast. This can only be an aid to civilised behaviour among modern travellers and it is devoutly to be welcomed.

Parsifal at Covent Garden

The musical side of the new Parsifal at Covent Garden, seen on Wednesday, was in the hands of Sir Georg Solti, who was given a thunderous welcome and deserved every clap of it. He did not, I think, ever conduct the unmemorable old production in the repertory when he was musical director, but he has made a notable recording of the opera. Better late than never. The orchestral playing was admirably full and rounded, not merely superficially brilliant, but filled with virtues normally only obtainable when the conductor is in constant touch with the orchestra in question—all-through firmness in the chording and at times (in act 3 especially) a sustained splendour in the string playing that made one wonder if one wasn't at Bayreuth.

On stage there was a first-rate Gurnemanz from Kurt Moll, in magnificent voice, radiating serene authority without bossiness, literally a tower of strength. The Parsifal, Peter Hofmann was cursed with a cold so bad as to make him almost voiceless. He carried on, but the role can't be done on looks alone, and those who have not heard this tenor at his excellent best will have a misleading impression. Of course the all-important scene with Kundry in act two suffered most, and Parsifal's necessarily limited responses may explain why Yvonne Minton's intelligent, distinguished Kundry made less effect than one expected—everything was there, but a certain reserve of utterance robs her tone of the final touches of vocal characterisation. Most of the above adjectives could be applied to Norman Bailey's Amfortas, though here there was plenty of character but not quite enough tone—the cries of "Erbarmen!" in the first act must go well beyond realistic portrayal of a sick and exhausted man.

Over the work of the producer Terry Hands (of the Royal Shakespeare Company and the Comédie Française) and the designer Farrah, there hangs a question mark. Often one wondered if what one saw was a faithful realisation of their ideas, or if those ideas had been curtailed either by economy, insufficient rehearsal time or British sloppiness. The forest set

OPERA

RONALD CRICHTON

with ribbed walls that serve for tree trunks or massed pillars is good. Farrah's training in France ensures a surface quality (like the *matière* in good painting) superior to the Central European ugly-ugly of much operatic designing today. But that is about all—the change to the temple of the Grail is contrived by raising two mouldy tree-trunks on chains so that, with two trees already erect they make a kind of architectural framework. A curious circle of bare branches (crown of thorns?) remains throughout the opera.

One good thing about the direction is that most of the scenes for the principals are played well down to the front. As with the ENO *Ring* at the Coliseum, a high percentage of the words is thereby made audible.

The flower-maidens are not dreamlike visions but very actual flesh-and-blood girls, full-voiced and brilliantly clothed. Some people found the effect gaudy, but if models are to be trusted it was nothing to the Bayreuth original. Unfortunately the maidens were kept so far forward that Kundry's single voice was inevitably diminished. For Klingsor (a typically incisive performance by Franz Mazura, making his British debut) Mr. Hands made better use of the tilting central platform than he had done in the previous act for Amfortas.

There were odd touches of near-naturalism which didn't go with the rest. Parsifal, after his long solo pilgrimage revealed underwear of a whiteness worthy of a TV commercial. Amfortas (we saw his underwear, too) preferred fusty old medieval combinations. Too much was seen of the swan slain by the innocent here. Rather a good dove on the gauze during the Prelude was replaced at the end of the opera by a sad-looking seagull dolefully flapping its wings. A symbol, maybe.

Leonard Burt

Peter Hofmann as Parsifal and Yvonne Minton as Kundry

Swan Lake

A debut performance in a traditional ballerina role is meat and drink to the aficionado. Will the interpretation come off, or will it lie in splinters at the debutant's agonising feet? Whatever the tensions felt by the artist, there is nearly as much sympathetic fluttering of nerves among the "regulars" of the audience. In *Swan Lake* the very first entrance can tell a great deal: Odette announces herself to us so grandly—it is as if a soprano had to start her initial aria on a high C—that any wavering of impulse is immediately *followed* by a plunge in our sympathy and her credibility.

To Marguerite Porter's credit she took the stage at Covent Garden on Thursday night with commendable aplomb, and we felt at once that she was in command. She looked the part: long, clear line; arms still bearing the imagined imprint of the swan's wings; gaze preoccupied by an untold tragedy. And she danced the part, unfurling the Ivanov choreography of the great duet round the attentive figure of Derek Deane as Siegfried. The mime passage I thought lovely: Porter used her sensitive arms to sketch the narrative without fuss or constraint, and she moved through it, as she did through the formal dances, as if trying to free Odette's tragedy from too rigidly academic a manner. If the rhythmic pulse that governs the entire portrait seemed at times cramped, the fault lay in the orchestral tempi: Porter's gently grieving Odette will, after half a dozen more showings, be able to open out physically and emotionally, if the music allows.

I do not know what back-stage considerations about union time and overtime now dictate the length that any given work is supposed to take on stage, but the sacrifice of art on any such altar is the direst philistinism. The last two acts of *The Sleeping Beauty* are now run together, to the ballet's detriment; the first two acts of *Swan Lake*, less deleteriously, are now combined. But tempi which gabble the score and, in the case of Thursday night's act one waltz, the steps, are *inadmissible*. No one, I presume, in the Opera House has ever heard the Bolshoy orchestra play for *Swan Lake*; but I reiterate my long-held contention that the Moscow orchestra is as vital to the success of the Bolshoy dangers as their training and lengthy preparation in the ballet itself. The kind of competence we hear from the Opera House pit on some ballet nights, the hustled tempi and mean, unloving tone, can hardly encourage artists to be inspired by the music of the 19th-century repertory.

Marguerite Porter merits a much more expansive accompaniment. She has the presence to sustain the dance's imagery, the technical ability to maintain its onward drive. Even in this attractive first account of the role there were indications of a richer, more individual reading waiting to emerge — one which would allow her line to sing more plaintively of Odette's sorrows.

CLEMENT CRISP

Carmen du Sautoy, Jane Lapotaire and Sheridan Fitzgerald in Love's Labour's Lost

Love's Labour's Lost

Welcome indeed is John Barton's pretty production from Stratford, the most enjoyable *Love's Labour's Lost* that I have ever seen. Realising that the polysyllabic jocularities of the would-be intellectuals are no longer very funny to us (though in their time they no doubt raised the same superior smiles as Pseuds' Corner does today), Mr. Barton has concentrated on finding humour in the less affected parts of the play.

"Finding," not putting: none of the evening's many laughs plays against the text, most are positively drawn from it. To make the King of Navarre and the Princess of France a pair of bespectacled highbrows who resolve into ordinary student jokes as soon as the initial drive is relaxed is original but valid, and it gives Richard Griffiths as the King an opportunity for one of the best comedy performances in town at the moment. Carmen du Sautoy as the Princess has not the same chances; her part is a more serious one; but she meshes perfectly with Mr. Griffiths.

Inevitably, emphasis is thrown on the rougher characters. There never was such an enjoyable Costard as Allan Hendrick's, eager to take over ever scene like a barrack-room comic (though he still doesn't know how to pronounce "halfpenny"). In some curious way, David Lyon's taciturn Dull contrives to be funnier than Paul Brook's *Holofernes* and David Suchet's Nathaniel, funny as

THEATRE

B. A. YOUNG

they are within the limits of their Pseuds'-Corner lines.

It is Tony Church's bad luck to come up against an outstandingly good boy as Moth (Jo James last night, though he is to alternate with another). While Mr. Church fails to find much savour in his sesquipedalian pomposities. Mr. James, both in his pert dialogue and in the singing-lesson with which Mr. Barton has fleshed out Shakespeare's single, obscure word "Concolinel," reveals himself already as a talented comedian.

At the romantic heart of the play are Michael Penington's Berowne and Jane Lapotaire's Rosaline. Mr. Pennington is now an exceedingly good young actor who, if the current theatrical fashion had not outlawed such people, would be a star; he has all the best poetry in the play and delivers it magically. Rosaline has no such opportunities, but Miss Lapotaire, as aristocratic as playful, leads a charming trio of ladies-in-waiting.

The comedy is never forced; it all grows out of natural occupations, instinctive gestures apt to the moment—though Mr. Griffiths' business with his bouncing sword, that seems to surprise him as much as us, is something of a wonder. (Can he always do it?) The final rustic entertainment gets no more out of hand than it should, and is touchingly called to order by Paul Brooke's "This is not generous, not gentle" to the unmannerly Navarrais lords. As the light fades on Ralph Koltai's lovely woodland scene, and the songs about the cuckoo and the owl come to an end—spoken, not sung—the sound of a real owl comes from afar to finish a lovely evening on a properly sentimental note.

TV/Radio

† Indicates programme in black and white

BBC 1

9.00 am Camberwick Green. 9.15 Scooby Doo. †9.35 Champion the Wonder Horse. 10.00 Feeling Great! †10.10 Zorro. 10.35 "Battle at Apache Pass," starring Jeff Chandler. †11.55 Comedy Half-Hour. 12.27 pm Weather.

12.30 Grandstand: Football Focus (12.35); Boxing from the Royal Albert Hall (1.5, 1.40); Racing from Kempton Park (1.20, 1.50, 2.20, 2.55); Table Tennis (2.10, 3.55); The Fifth Commonwealth Championships: Badminton (2.40, 3.15); The Provident Mutual Mixed Doubles Challenge; Show Jumping (3.30, 4.15), The Embassy Tankard; 4.40 Final Score.

5.05 Tweety Pie.
5.15 News.
5.25 Sport/Regional News.
5.30 Disney Time.
6.15 Rolf on Saturday—OK?
6.45 Saturday Night at the Movies: "Legend of the Lost," starring John Wayne.
8.30 The Val Donican Music Show.
9.15 The Rockford Files.
10.05 News.
10.25 Match of the Day.
11.25 Saturday Night at the Mill.

All Regions as BBC1 except at the following times:

Scotland—5.00-5.15 pm Scoreboard. 5.25-5.30 Scoreboard. 10.25-11.25 Sportscene. 12.15 am News and Weather for Scotland.

Wales—8.50-9.15 am Teliffant. 5.25-5.30 pm Sport/News for Wales. 12.15 am News and Weather for Wales.

Northern Ireland—4.55-5.05 pm Scoreboard. 5.25-5.30 Northern *Ireland News.* 12.15 am News and Weather for Northern Ireland

BBC 2

†2.45 am Saturday Cinema: "Maytime," starring Jeanette MacDonald and Nelson Eddy.
4.55 Horizon.
5.45 Men of Ideas.
6.30 A Death Reported.
6.45 The Book Programme: profile of Yevgeny Yevtushenko.
7.15 News and Sport.
7.25 "Cosi Fan Tutte," Glyndebourne Festival Production of Mozart's comedy (simultaneous with Radio 3 stereo), Act 1.
8.55 News on 2.
9.00 "Cosi Fan Tutte," Act 2.
10.30 Tennis: Championships of Monte Carlo.
11.10 "QB VII," starring Ben Gazzara, Anthony Hopkins, Leslie Caron and Lee Remick (Part 1).

LONDON

8.35 am Sesame Street. 9.35 Superman. †10.00 "Blue Murder at St. Trinian's," starring Alastair Sim. 11.30 Chopper Squad.
12.30 pm World of Sport: 12.35 Headline; 1.15 News; 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Newcastle; 1.45, 2.15 and 2.45 from Towcester; 3.10 International Sports Special—Daily Express Spring Speedway Classic from Wimbledon; 3.50 Half-time Soccer Round-up; 4.00 Wrestling; 4.50 Results Service.
5.05 News.
5.15 Dick Barton — Special Agent.
5.30 The Masterspy.
6.15 Kidnapped.
6.45 Chips.
7.45 Celebrity Squares.
8.15 Lovely Couple.
8.45 Hawaii Five-O.
9.45 News.
10.00 Roald Dahl's Tales of the Unexpected.
10.30 Russell Harty.
11.30 On the Road.
12.30 am Crisis, introduced by Anna Ford.

All IBA Regions as London except at the following times:

ANGLIA

9.35 am Catch '79. 10.00 Clue Club. 10.30 Tiswas. 6.45 pm The Life and Times of Grizzly Adams. 8.45 Vegas. 12.30 am A Reading for Easter Eve.

ATV

9.10 am How to Stay Alive. 9.35 Catch '79. 10.05 Call it Macaroni. 10.30 Tiswas. 5.30 pm The Life and Times of Grizzly Adams. 6.30 The Masterspy. 7.15 Kidnapped. 8.45 Vegas. 10.30 AFA Tribute to Hitchcock. 12.00 Westside Medical.

BORDER

9.00 am Sesame Street. 6.45 pm Six Million Dollar Man. 8.45 Vegas. 10.30 Barney Miller. 11.00 On the Road.

CHANNEL

12.18 pm Puffins Pla(i)ce. 5.30 Fantasy Island. 6.30 The Masterspy. 7.15 Kidnapped. 8.45 Vegas. 10.30 On the Road. 11.30 The New Avengers.

GRAMPIAN

9.00 am Sesame Street. 10.00 Feature Film: "The Lone Ranger." 11.30 Thunderbirds. 6.45 pm The Life and Times of Grizzly Adams. 8.45 Vegas. 11.30 On the Road. 12.30 am Reflections.

GRANADA

9.15 am Sesame Street. 10.10 The Beatles. 10.30 Tiswas. 8.45 pm Vegas. 10.30 Barney Miller. 11.00 Don't Knock the Rock. 12.00 Midnight Film "Raw Edge," with Rory Calhoun and Yvonne de Carlo.

HTV

9.05 am It's Your Move. 9.30 Clue Club. 9.55 Melotoons. 10.05 Happy Days. 10.30 Tiswas. 5.30 pm Chips. 6.30 Masterspy. 7.15 Kidnapped. 8.45 Vegas. 10.30 Stones in the Park. 11.30 The Electric Theatre Show.

HTV Cymru/Wales—As HTV General Service except: 5.30 pm Mork and Mindy. 6.00-6.30 Sion a Sian.

SCOTTISH

9.35 am Catch '79. 10.05 Call it Macaroni. 10.30 Tiswas. 7.45 pm Lovely Couple. 8.15 Celebrity Squares. 8.45 Vegas. 10.30 Barney Miller. 11.00 On the Road. 12.00 Late Call.

SOUTHERN

9.00 am Sesame Street. 12.27 pm Regional Weather Forecast. 5.15 Batman. 6.15 Bionic Woman. 7.15 Kidnapped. 10.30 On the Road. 11.30 Southern News. 11.35 The Late, Late Film: "Casanova '70," starring Marcello Mastroianni.

TYNE TEES

9.00 am Saturday Shake Up. 9.05 The Man from Atlantis. 10.05 Saturday Shake Up. 10.15 Saturday Morning Film: "Captain Nemo and the Underwater City," starring Robert Ryan. 12.15 pm Saturday Shake Up. 7.45 Lovely Couple. 8.15 Celebrity Squares. 8.45 Vegas. 10.30 Barney Miller. 11.00 Stones in the Park. 12.00 Epilogue.

ULSTER

10.10 am Positive Soccer with Jack Charlton. 10.35 Little House on the Prairie. 11.30 Sesame Street. 6.45 pm The Six Million Dollar Man. 8.45 Vegas. 10.30 Holy Week. 10.35 Build Your Own Boat. 11.00 On the Road.

WESTWARD

9.20 am Faith for Life. 9.25 Saturday Morning Picture Show: "Speedway," starring Elvis Presley. 10.55 Look and See. 11.00 Untamed World. 11.25 Gus Honeybun's Birthdays. 11.30 Tarzan. 12.27 pm Westward News. 5.30 Westward News. 5.34 Best Sellers—The Tomb. 6.30 The Masterspy. 7.15 Kidnapped. 8.45 Vegas. 10.30 Stones in the Park. 11.30 The New Avengers. 12.25 am Faith for Life. 12.30 West Country Weather and Shipping Forecast.

YORKSHIRE

9.00 am Spiderman. 9.20 "Downhill Racer," starring Robert Redford. 11.00 Show jumping with Harvey Smith. 11.30 The Life and Times of Grizzly Adams. 7.45 pm Lovely Couple. 8.15 Celebrity Squares. 8.45 Vegas. 10.30 Barney Miller. 11.00 Stones in the Park. 12.00 The Practice.

RADIO 1

(S) Stereophonic broadcast
‡ Medium Wave

5.00 am As Radio 2. 7.03 Playground. 8.00 Ed Stewart with Junior Choice. 10.00 Peter Powell. 1.00 pm Adrian Juste (S). 2.00 Paul Gambaccini (S). 4.00 Rock On (S). 5.30 It's Rock 'n' Roll (S). 6.31 In Concert (S). 7.30 Mike Read. 10.00 Discovatin. 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.02 Paddy O'Bryne (S). 8.06 David Jacobs (S). 10.02 Kevin Morrison (S). 12.02 pm Burl Ives chooses records (S). 1.02 The Grumblewoods. 1.30-6.00 Sport on 2: Football League Special (1.30, 2.05, 2.35, 3.00, 3.45, 4.42); Swimming (1.30, 2.05, 5.00) The Coca-Cola International; Racing from Kempton Park (1.30, 1.55, 2.25, 3.00, plus classified check at 5.45): Equestrianism (1.30, 2.05, 2.35, 3.00, 4.50) The Embassy Easter International; 5.00 Sports Report: 5.00, 5.45 classified football checks: 5.25 Rugby Round-up; 5.30 Motor Sport plus boxing preview. 6.03 Europe 79: Finland. 7.02 Beat the Record. 7.30 Radio 2 Top Tunes (S). 8.00 The Romantic World of Ivor Novello live from the Royal Festival Hall, part 1 (S). 8.50 Famous personalities recall special memories of working with Novello (S). E.daCa game ETA SHR Novello. 9.10 Concert, part 2. 10.10 Geraldo's Tip Top Tunes (S). 11.02 Sports Desk. 11.10 Ray Moore with The Late Show (S), including 12.00 News and 12.10 am Golf: U.S. Masters (report). 2.02-6.00 You and the Night and the Music (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review including Building a Library (S). 10.15 Stereo Release (S). 11.00 Handel concto recital (S). 11.45 Robin Ray presents, popular classics on records (S). 1.00 pm News. 1.05 Bartok and Mozart concert (S). 2.05 Man of Action: Gerald Durrell chooses records (S). 3.20 Barbirolli and the Boston Symphony Orchestra concert, part 1: Berlioz, Vaughan Williams (S). 4.00 Interval Reading. 4.10 Concert, part 2: Sibelius. 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 Lipatti Plays Chopin. 6.50 Personal View by David Marquand. 7.20 Cosi Fan Tutte (S) comic opera in two acts by Mozart (simultaneous with BBC-2 television) Act 1 (S). 8.55 Interval Reading. 9.00 Cosi Fan Tutte," Act 2. 10.30 Locatelli and Vivaldi (S). 11.05 Sounds Interesting (S). 11.55-12.00 News.

RADIO 4

6.25-6.30 am Shipping forecast. 6.50 Yours Faithfully. 6.55 Weather; programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's a Bargain. 7.55 Weather; programme news. 8.00 News. 8.10 Sport on 4. 8.45 Today's Papers. 8.50 Spring Fever. 9.00 News. 9.05 International Assignment. 9.30 Destination Downing Street (strategies of the campaign). 9.55 News Stand. 10.15 Daily Service. 10.30 The Cross and This World. 10.45 Pick of the Week (S). 11.20 Time for Verse. 11.30 Wildlife. 11.55 Smith on Saturday with Phil Smith. 12.00 News. 12.02 pm Help Yourself! 12.27 The News Quiz (S). 12.55 Weather; programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping forecast. 2.00 Bookshelf. 2.30 Saturday-Afternoon Theatre (S). 3.30 Does He Take Sugar? 4.00 Choirs of Wales. 4.45 Down the Garden Path. 5.00 Kaleidoscope Encore. 5.25 The Jason Explanation of Failure (S). 5.50 Shipping forecast: 5.55 Weather; programme news. 6.00 News. 6.15 Desert Island Discs: Sir Edmund Hillary, explorer. 6.50 Stop the Week with Robert Robinson. 7.30 Baker's Dozen (S). 8.30 "She," play by Rider Haggard (S). 9.58 Weather. 10.00 News. 10.15 The Manipulators. 11.00 Lighten Our Darkness. 11.15 The Life and Times of the Piano (S). 11.45 Just Before Midnight. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 7.32 Good Fishing. 8.00 News; weather, traffic, shopping, sports news. 8.15 The London Gardner. 8.30 Saturday Scene. 10.30 Sportscene. 11.30 The Robbie Vincent Show. 2.00 pm Bob Powel with London Country. 4.30 Marjorie Bilbow with Close Up. 5.00 Guideline. *From 6.30—Join Radio 2.*

London Broadcasting

5.00 am Morning Music. 7.00 AM with Dickie Arbiter. 1.00 Jellybone. 1.00 pm Sportswatch. 6.00 The London Interview. 7.00 Geet Mala: programme for London's Asian community. 8.00 Monty at Large. 9.00 London Rules. 9.30 City Week. 10.00 Nightline. 1.00-5.00 am Night Extra.

Capital Radio

6.00 am Kerry Juby (S). 9.00 Peter Young and Daisy Cash (S). 12.00 Kenny Everett and Michael Aspel (S). 3.00 pm Duncan Johnson and Adrian Love (S). 5.00 Adrian Love and John Whitney (S). 6.00 Greg Edwards's Soul Spectrum (S). 9.00 Nicky Horne's Six of the Best (S). 12.00 Mike Allen's Midnight Special (S). 4.00 am The Collection (S).

WEEKEND CHOICE

SATURDAY: Blue Peter Alumni (and Alumnae) are steadily taking over television. Peter Purvis has his sports series, Valerie Singleton is at To-Night and now the intrepid John Noakes introduces today **Disney Time** on BBC 1. The **Book Programme** on BBC 2 comes to the end of its current series of seven films with one about Yevtushenko, and at 7.25 the channel continues "Opera Month" with Cosi Fan Tutti from Glyndebourne—an opera which would never have been produced if it had been written today in the age of feminism.

SUNDAY: ITV's repeat of Zeffirelli's Sunday school picture book version of Jesus of Nazareth starts at 6.30 and finishes at 8.15 in time for a rare Columbo. That clashes with BBC 2's profile of flautist James Galway (8.10) which is followed by television's best arts programme Arena (9.15) on ventriloquism Immodesty demands a mention of BBC 1's new series about investigative journalism, Whistle Blowers at 11.15. This first programme studies last week's Panorama on the Georgi Markov murder and is presented by—C.D.

CHESS SOLUTIONS

Solution to Position No. 263

1...Q-B4! and White resigned. The winning threat is 2...NxP ch; 3 BPxN (3 RPxN, Q-R8 ch and Q-N7 mate), P-B7 and White has no good defence to Q-K5 mate (4 Q-Q8 ch, K-R2; 5 Q-R4 ch, K-N3 or 4 Q-KB1, Q-K5 ch; 5 Q-N2, R-N8 ch). If after 1...Q-B4; 2 Q-Q8 ch, K-R2; 3 Q-R4 ch, K-N3; 4 P-R3, R-N8 ch; 5 RxR, QxR ch; 6 K-R2, Q-N8 mate.

An immediate 1...NxP ch; 2 BPxN, P-B7 is met by 3 K-N2, Q-K5 ch; 4 K-R3.

Solution to Problem No. 263

1 B-N7, P-K5; 2 B-R6, K-B6; 3 RxP mate. If 1...PxP; 2 BxP, P-K7 (else 3 B-Q6 mate); 3 B-B1 mate.

ARTS 2

A week for seeing the stars

Madame Rosa (AA) — Screen on the Hill
Battlestar Galactica (U) — Empire
The Water Babies (U) — Classic Haymarket
German Films of the Third Reich — National Film Theatre
Firepower (AA) — Leicester Square Theatre

Simone Signoret, who should be declared an official French monument, spreads her woebegone, magnificent charisma across Moshe Mizrahi's *Madame Rosa*. "How have I become so ugly?" Signoret-Rosa asks of her mirror in one scene—"I'm only sixty-six, I look much older." She shouldn't worry. Signoret's "ugliness" is more bewitching than most film stars' beauty. That huge frame, those pouchy eyes should have been painted by Rembrandt: that half-croaking French voice should be preserved for posterity on records.

In *Madame Rosa*, which won last year's Best Foreign Film Oscar, she plays an ex-prostitute who, rather than put herself out to pasture, keeps up a busy life

CINEMA
NIGEL ANDREWS

in Paris harbouring and caring for her younger colleagues' misbegotten children. One of them is 11-year-old Mohammed, whose half-filial, half-fatherly relationship with Madame Rosa—tinged with racial *entente* since he is an Arab, she a Jew—is at the film's centre. At its edges are a host of quaint, sometimes hyper-quaint, characters from Claude Dauphin's bearded duffer of a doctor to the gaggle of low-life exotics who live in other flats in Madame Rosa's mouldering tenement.

Like most foreign Oscar contenders, this film wears its heart on its sleeve and an ample heart it is. Director Mizrahi hoed the same sentimental-folksy ground in his picture-book Bible movie *Rachel's Man*, which Londoners saw some years back. *Madame Rosa* often sinks into molasses of sentiment, not helped by the too-passive beauty and too-obliging pathos of Samy Ben Youb as the boy. But Signoret bestrides the banalities like a Colossus: her crumpled face and her deep Gallic sighs are alone worth the price of admission.

*

Battlestar Galactica erupts on the screen in the simultaneous glory of Panavision and Sensurround. As the images explode before you in rainbow-hued violence, your seat shakes to the *basso* vibrations from the soundtrack. The film is a giant and spectacular toy; with rather more visual splendour and rather less human interest than *Star Wars*, to which it makes plentiful genuflections.

The story, set far in the future, tells of a motley fleet of human-manned space vehicles processing across Space from distant planets to the forgotten haven of Earth, with a vengeful train of interstellar Nasties in their wake. The flagship of the fleet is the *Galactica*—a majestic elephant of a spaceship, huge, grey and encrusted like a refugee from *2001*.

The model-work and special effects are high-calibre. But the characterisation and story-shaping are rudimentary, not to say feeble. Beginning on a note of battle-stations frenzy, the film has nowhere quite to go after the first holocaustic half-hour, and the remaining 90 minutes are rather like an episode of *Star Trek* that has been caught in some maliciously elongating time-warp.

The Water Babies is a curate's-egg adaptation of the famous Victorian fairy-tale by Charles Kingsley: in which, you may recall, a young chimney sweep falls into a river and discovers therein a fantasy world inhabited by sea-animals and neglected children like himself. The film is done half as live-action and half—the underwater half—as animation. Director Lionel Jeffries, who made such a magical debut with *The Railway Children*, comes close to equalling that here; endowing the live-action scenes with a roseate, old-world glow and painting beautiful pictures with the cobbled streets of York and the rolling, rain-green moors of Yorkshire.

The cartoon sequences, by contrast, are gaudy and ersatz. For reasons that elude me, the drawings were designed in Britain and animated and processed in Poland. Perhaps lack of artistic co-ordination produced the dire result. A sense of humour almost makes up for the plastic garishness of the action—there is a Glaswegian lobster called Jock and a gay sea-horse called Terence—but the water babies themselves are frightful infants garbed in ragged *toutous* and given to singing resistible underwater ditties.

Easter-holiday-wise, however, the film is just about the best value available. Above water level, a high class of acting is ensured by the presences of James Mason and Bernard Cribbins as chief villains, David Tomlinson as the kindly Squire who adopts the chimney sweep, and Joan Greenwood, fluting magisterially as his wife. As the sweep, Tommy Pender has a broad Cockney charm that sweeps aside any hint of sentimentality in the story.

*

The movie event of the month—not very Easter-like in spirit—is a season of German films made during the Third Reich. It shows at the National Film Theatre until the end of April and proffers a fascinating glimpse of the covert workings of propaganda within a commercial film industry.

Goebbels once declared that "the best propaganda is not that which always openly reveals itself." The 1930s German cinema produced musicals, historical films, bio-pics—few with any overt hint of propagandist purpose, but few, alike, which did not perpetuate by subtle emphases or deliberate omissions (of Jewish characters, for example) the ideals of the Nazi creed.

Kicking off with four films by Douglas Sirk—the German director who later went to Hollywood and specialised in sumptuous weepies like *Magnificent Obsession* and *Imitation of Life*—the 20-film season includes work ranging from the familiarly notorious to the recherché and intriguing. In the latter group come such little-seen but opulent-sounding bio-pics as *Paracelsus*, *Bismark* and *Rembrandt*, and a cluster of vehicles for the great German star of the period, the glamorous siren Zarah Leander. As a cautionary glimpse into the way the pill of political persuasion can be sugared, or even totally disguised, by the sweetness of commercial escapism, the season is worth several visits.

*

Michael Winner's *Firepower*, by contrast, should be put in filmgoing quarantine. If you want to ruin your aesthetic health, go and see this demented farrago about a rich widow (Sophia Loren) and a Quixote-like secret agent (James Coburn) who run around the Caribbean looking for heroic deeds to enact and villains to exterminate. The film is directed and edited as if by an ill-coordinated team of hamsters, and the voices have that sepulchral, dubbing-studio automatism instantly recognisable as Winner's work (*Of Death Wish*, *The Sentinel*).

Samantha Gates and Tommy Pender in a scene from "The Water Babies"

Airing our views via Mr. Day

RADIO
ANTHONY CURTIS

Here we go again with Robin Day's Election Call enlivening the morning hour. Joe Soap gets his big chance to cross-examine the Chancellor of the Exchequer publicly. "Good morning Mr. Day. Good morning Mr. Healey." "Good morning Mr. Soap. May we have your questions?" Toujours la politesse—but could not they save much valuable time and give the programme a better shape by skipping these preliminary courtesies? Mr. Healey kept his cool admirably throughout some pertinent fusillades from engaged and articulate listeners on the poverty trap, civil service index-linked pensions, opportunities for small businesses, income-tax thresholds, the wealth tax in general and the alleged wealth of the prime minister in particular. At least Robin Day knows when to cut someone off. He does so quite ruthlessly when the questioner outstays his welcome which is frequently. Mr. Day also has a neat way of putting the politician back on the hook if he appears to be wriggling off it too easily. "Are you satisfied with that answer Mrs. Bloggs? You don't by any chance want to ask Mr. Healey how he reconciles it with what he said in the House of Commons

Had it not been for the sudden arrival of Mr. Day's sessions of electoral participation we should have had our normal Tuesday Call this week on a topic calculated to raise as many hackles as the thought of other people receiving index-linked pensions, namely the reception of BBC radio programmes at the present time. In the event we were not deprived of our chance to have a go at two senior BBC engineers. This session was put forward to Sunday when I caught it. What a catalogue of woe, of obtrusive crackling and buzzing, of totally unacceptable levels of hissing and interference, was there unfolded. "I've a lot of sympathy with your problem. All I can say is we are aware of it and we are hoping the situation will improve—was typical of many replies from the knowledgeable and sanguine officials. One listener complained of a mysterious Russian station breaking into the home product on his car radio every time he approached the Brent Shopping Centre. This baffled the experts completely. Another who lived at Nailsworth in Gloucestershire found that Radio 3 music suffered such poor reception that it was unlistenable to even on the best stereo equipment. Great sympathy was extended to him and the hilly nature of the terrain was blamed for his plight which appeared to be irremediable. Another crop of complaints came from over the border and the experts had to admit that they were not at all happy about the Radio 4 UK situation in Scotland.

Yet another listener wanted to know why the BBC had to be confined to such a narrow section of the VHF wave-band for its programmes. Why could it not spread itself and use the whole wave-band? They would dearly like to do this, came the reply, but they were not able to Other essential services (police, hospitals, fire-bridgades, radio-cabs) required the band, and a compromise had to be made. It is the same globally. There are far too many radio stations chasing far too few frequencies. There will be another international conference at Geneva this year to try to sort out this congestion and it is greatly to be hoped that the gentlemen from the Home Office who will be representing the UK will press the claims of Radios 1, 2, 3, and 4 more forcefully than they did last time.

My own problem is that I get VHF perfectly well but I do not have a long-wave option on the portable I use in the mornings. Before the November revolution I was a regular listener to *Start the Week* and on Saturdays to the *Week in Westminster*; now by staying tuned after nine I find myself gate-crashing lectures in the Open University on things like Decision-Making in Modern Britain or the Problems of Philosophy. And yet how rapidly in radio one adjusts to what one is offered. I have discovered what I should have known already—how good much OU stuff is. Brian McGuinness's recent talk on the early thought of Wittgenstein for instance was a great pleasure and completely comprehensible to the layman. The austere OU approach is often more effective than ambitious feature treatment of a similar theme on Radio 3. The only trouble here is that by the end of an OU programme one's appetite has been thoroughly whetted and the next talk in the series tends to be at some frightfully inconvenient time like three weeks later on another channel at six in the morning.

THEATRES THIS WEEK . . . AND NEXT

PALACE, Watford — *The Autumn Garden*. British premiere of a Lilian Hellman play about decaying relationships among rich Southerners. Nicely played, but long-drawn-out. Reviewed Wednesday.

CAMBRIDGE — *Chicago*. This smashing production of a grand musical has come to London at last, via Sheffield. Go at once. Reviewed Wednesday, Thursday.

CHURCHILL, Bromley—*Dandy Dick*. Good production of Pinero's farce, with James Hayter. Reviewed Thursday

GREENWICH—*She Would If She Could*. Etherege's rakish Restoration comedy, nicely played under Jonathan Miller's meticulous direction. Reviewed Thursday

Stratford-upon-Avon continues with *Cymbeline* on Tuesday. The National, putting its difficulties to good use, offers an unexpected week of *The Passion* at the Cottesloe, also from Tuesday. And at 2.30 on the same day, the start of a visit to the Riverside Studios Hammersmith by the Paper Bag Players, a likeable American company for children. On Wednesday, *Happy Birthday*, by the Camoletti-Cross combination that gave us *Boeing-Boeing*, opens at the Apollo, and Manchester's *Family Reunion* comes to the Round House. *PS Your Cat is Dead*, which was a reluctant success in the U.S., opens on Thursday at the Open Space, and a new play, *Tax Exile*, at the Bush in Shepherd's Bush; and finally, the RSC's production of *The Churchill Play* moves from the Other Place to the Warehouse in Covent Garden.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 886341/2, 883897
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Saturday April 14 1979

Digging in for May

DURING THE last days before Easter the country and the *markets seem to have adjusted* themselves to the prospect of an election campaign which although unusually long, does not at the moment look unusually exciting. The City is increasingly confident of a Conservative victory at the end of it, but seems to have taken to heart Mrs. Thatcher's warning that problems as deep-seated as those of the UK cannot be solved overnight.

The electorate is being offered a genuine change of direction, but the short-term consequences are no longer seen as very dramatic.

This state of affairs reflects both credit and discredit on the outgoing government. Monetary control, after a dangerous and expensive wobble, seems to have been restored—indeed, some officials are beginning to suspect that their recent successes in selling issue after issue of Government stock have resulted in temporary overkill, and have sucked so much liquidity out of the system as to provoke unexpectedly high borrowing from the banks.

Pound's strength

This tight control has had much to do with the remarkable strength of sterling, which has risen, despite profit-taking, by more than a percentage point since it was uncapped last week. The steep fall in long-term interest rates, down 2¼ per cent from their peak, also has more to do with market conditions than with politics. However, the rather subdued state of feeling now reflects partly a growing awareness that some troublesome problems, especi*ally over public sector pay, have* been brushed under the rug.

The next Government will have to size up and tackle these problems before it can make much progress with its chosen programme. This fact has reinforced the caution which both sides have learned in a hard school, with the result that both the main parties have gone to the country with manifestos which are fairly clear on basic philosophy, but *very short on the specifics which* could be costed and assessed.

What is clear is that the Labour Party regards further State investment as essential both to preserve jobs and to develop new technologies—without any clear idea of whether the priority is to promote change or to prevent it. The Conservatives, on the other hand, would reduce intervention in either cause, in order to finance a restoration of the incentives which enable the private sector to respond to change. This is the basic economic choice, and it is a genuine one.

Administrative intervention is equally a point at issue. Labour would strengthen the *Price Commission*, and try to secure planning agreements by compulsion. The Conservatives have promised a review rather than an immediate bonfire of such controls, but are clearly in favour of free wage bargaining in private industry.

Neither side can make very much of the most recent statistics. The latest rise in the Price Commission index is embarrassing for Labour, but as the markets seem to have realised quickly, is quite consistent with inflation very near the 10 per cent mark for some time to come. This is also consistent with the rise in sterling, combined with a rise in earnings which Mr. Healey most recently put at 13 per cent. *This is much too high to* justify any complacency about free bargaining, but not so bad as the last year of "successful" incomes policy.

Meanwhile, events in the outside world will affect our *immediate future as much as* the election decision. We are suffering a renewed inflationary shock like that of 1974, but have learned to respond to it very differently. The U.S. authorities seem to be persisting in efforts to slow their economy, which after four years of rapid but ill-balanced growth is showing clear signs of overheating. At the same time the authorities in Germany and Japan, faced with rising inflation, are taking advantage of the renewed strength of the dollar to tighten their own monetary policies quite sharply.

This suggests that growth prospects, which the OECD thought quite encouraging outside the U.S. when it reviewed the scene in December, are now decidedly weaker. At the same time the world-wide rise in interest rates will limit the scope for further falls in UK rates, and reduce the international attraction of sterling on this account.

Difficult prospect

This adds up to a difficult short-term prospect for the next Government. It is far easier to finance tax cuts or new industrial initiatives in a buoyant world economy than in a world which seems, this time round, to have resolved to accept some of the deflationary consequences of an energy shortage which looks rather more than temporary. In the long run, recovery from a setback in activity should be considerably easier than fighting the inflationary consequences of a period of large financial imbalance. It is not only at home that the problems are now seen as too difficult to yield to quick or palatable solutions; but on a longer view, that is anything but bad news.

POLITICS TODAY

The manifestos compared

By MALCOLM RUTHERFORD, Political Editor

WHAT THE ELECTORATE IS WORRIED ABOUT

MORI poll taken April 2: "What issues do you think the General Election should be about?" Answers in percent.

	ALL	WOMEN	AGED 18-24	TRADE UNIONISTS
Prices/Inflation	55	57	50	59
Unemployment	24	24	26	28
Trade unions/strikes	24	24	24	24
Taxation	20	20	18	20
Law and order	13	10	11	16
Common Market	11	11	9	14
Pensions	9	9	4	9
Housing	8	9	13	8

	ALL	WOMEN	AGED 18-24	TRADE UNIONISTS
Northern Ireland	6	7	8	7
Devolution	5	4	8	5
Nat. Health Service	4	4	5	4
Immigration	4	4	7	5
Education		4	3	3
Nationalisation	2	1	2 —	3
Rhodesia	—	—	0	1

HOW THE ELECTORATE THINKS THE PARTIES WILL COPE

MORI poll taken April 2: "I am going to read out a list of issues facing people in Britain today. Please tell me which political party has the best policies on each one." (+ means Labour percentage lead, — means Labour lag.)

	ALL	WOMEN	AGED 18-24	TRADE UNIONISTS
Prices/Inflation	—5	—5	+5	+16
Strikes/Indust. disputes	—9	—10	—1	+4
Unemployment	—9	—12	+4	+7
Common Market	—9	—6	—1	+3

Source: Polls conducted for Daily Express/Evening Standard by Market & Opinion Research International.

THE ELECTION that people have been talking about for a good three years has in the end caught the political parties unprepared. The campaign has now paused for Easter, but in truth it had scarcely taken off. Candidates have been too busy producing their literature, talking to the printers, and generally getting their act together actually to start campaigning.

The Gallup Poll in the *Daily Telegraph* reported that only 8 per cent of those sampled between April 6-9 had received visits from any of the parties and only 12 per cent had seen any party posters. Thus anything achieved in the past few days was a bonus, and the campaign will only begin in earnest next week.

What we have so far are the party manifestos and the results of two of the mainstream public opinion polls—Gallup in the *Telegraph* and MORI in the *Daily Express*—both of which give the Tories a lead of about ten percentage points over Labour. The lead is substantial but not impregnable, and indeed one of the leading poll*sters in the country* is pointing out that the significant trend of the last few elections has been not so much the swing towards the party in opposition as the narrowing of the gap between the two main contenders. In the end, very few people change their allegiances; nor do they wish to see a decisive victory for eigther party. If that view is correct, Labour still has everything to play for.

So how will the campaign be fought? The manifestos make the main divisions between the parties pretty clear, though there is still some blurring at the edges. The main issue is tax and its concomitant, public expenditure. All three parties are promising a cut in direct taxation and a switch to taxes on spending.

The Liberal pledges

The Liberals are the most dramatic with their pledge of establishing a starting rate of income-tax of 20 per cent and a top rate of 50 per cent over a period. Their tax proposals are also the simplest, if not necessarily the most realistic. They would introduce tax credits to take the place of personal allowances, social security payments and national insurance benefits. There would also be a system of self-assessment as in the U.S. The investment income surcharge would go and be replaced by a wealth tax on very large (but unquantified) accumulations of capital. Not least, there would be an end to domestic rating and the introduction of a tax on land values as part of the Liberals' proposals for the reform of local government.

What is perhaps most curious is that the Liberals do not seem to regard cuts in public expenditure as being desirable for their own sake. They propose only an attack on bureaucratic waste. Like the Tories, they believe that spending on defence *should actually rise. Like the* Labour Party, they offer a virtual blank cheque to British Rail to maintain the existing rail network. It is also notable that the Liberals remain sufficiently deferential to their own rural supporters to oppose (by implication) an increase in the petrol tax—one of the most obvious candidates for a rise on any other grounds. At the same time, the Party does not seem particularly interested in economic growth.

It is therefore not surprising that the Liberal figures do not appear to add up. The explonation is perhaps that a party that is unlikely to have responsibility for implementing its programme can afford to be bold. What the Liberals do offer, however, is a shopping list in the event of either of the two major parties requiring Liberal support. The Liberal programme taken together may be utopian, but most of the individual items are attractive enough. The Liberals could insist on implementation of almost any group of them as the price of keeping a government in office, should the opportunity arise.

Tax cuts are obviously the trend of the times. Not so long ago there was talk in the Labour Government of cuts to help middle management. That seems to have been lost along the way, but the Labour Party *like everyone else is talking* about cuts at the lower end of the earnings scale and of taking significant numbers of people out of tax altogether.

The Labour Manifesto also differs from those of the Tory and *Liberal Parties in that it is* the only one to set a specific target for economic growth—"three per cent a year or more." Mr. Callaghan had forgotten the figure for the cost of the programme when he launched the manifesto at a Press conference last week-end, but he subsequntly stated that it was £2.5 bn. That may seem rather modest, but without any knowledge of how it is calculated it does not convey a great deal, and it appears to come on top of the increase in spending already announced in the last expenditure White Paper. A reasonable question to ask, though it is, *of course, impossible* to answer, is whether a sustained economic growth rate of three per cent a year or more is feasible under a Labour Government. Certainly it has not proved so in the past. The questioner might *then go on to wonder whether* it is possible to combine cuts in direct taxation with rising public expenditure if the growth target is not achieved.

The Labour Party is somewhat hazy, too, about its pro*posals for a wealth tax on* people whose total net personal wealth exceeds £150,000. At his initial press conference, Mr. Callaghan was unable to answer a simple question about whether the value of a person's house would be included in the total. That, he said, was a matter for Mr. Healey, the Chancellor of the Exchequer. But it appeared this week that Mr. Healey is none too clear, either. He said on BBC Radio 4 that it still had not been decided whether a husband and wife would be taxed separately or together; that decision making a considerable difference to the outcome.

The Tories' caution

The Tories have in many ways been cautious. The expected commitments to cuts in income tax at all levels are all there, and there is a further commitment to cut what the Manifesto calls "the absurdly high marginal rates of tax both at the bottom and top of the income scale." There is the promise of a gradual reduction in the government's borrowing requirement—the acid test to be applied by the City, of proper monetary discipline and of "important savings" in public expenditure. But anyone looking for a more detailed programme will be disappointed. The Tory Manifesto, in fact, is more a statement of philosophy than a specific agenda for action.

Sceptics will note that there are several areas where public spending under the Tories would actually rise. They include not only defence and internal law and order (which were known in advance), but also education through the scheme for assisted places at independent schools. They will also be struck by the frequency of the promise to place particular issues under review. The who field of competition policy, including the activities of the Price Commission, is *one of* them. It appears that the Tories simply never got round to formulating a prepared policy. Not least, there is room for scepticism about the proposal to offer British Shipbuilders back to the private sector. It is not exactly a sellers' market.

It is also notable that the Tories make no promises about economic growth. Indeed, there are even hints in the manifesto that the British people may have to go through a period of considerable self-sacrifice. The Tory commitments on the reform of the tax structure—for example, in a move to tax credits—are somewhat limited, and it is admitted that the abolition of the domestic rating system will *have to be subordinated* to the need to cut income-tax.

What the Tories do promise, however, is to try to create the conditions in which growth could take place. It may require an act of faith to support them or *simply* disenchantment with the Labour Party, but the rational being will ask as many questions as possible before the election takes place.

Such questions will include the Tory approach to the trades *unions*. The Tory *proposals* here are relatively mild: a possible change in the law relating to picketing, some opposition to the closed shop and—most controversial—the threat of the assumption for tax purposes that strikers are paid more from union funds than they actually are. The real point of this latter proposal is presumably to challenge the unions to pay more to those who go on strike, and therefore to discourage union support for strike action.

Yet it may well be that this whole issue is a *faux problème*. If the economy starts to grow and people become better off, industrial unrest—except for the special cases that occur in all economies from time to time—could become less. If the economy continues to stagnate, the unrest will continue despite minor changes in the law, and in that case *the Tories would* have already failed in their mission. One does slightly wonder whether the Tory concern with such matters is worth the candle. At any rate, it is a subject on which one would expect them *to be pressed* as the campaign goes on, and on which perhaps they will reveal internal divisions.

There are other areas where in the fashion of the times the parties are talking about the *same subject, though not necessarily* saying quite the same thing. Europe is one of them. All three *parties* seem to have more or less adopted the line of Mr. John Silkin, the Minister of Agriculture: fundamental reform of the Common Agricultural Policy, the elimination of structural food surpluses and a strong stand on behalf of British fishermen. The Tory Manifesto achieves a spectacular nonsense in this last field. It say that a Tory Government would work for agreement with the European Community, but goes on: "In the absence of agreement, we would not hesitate to take the necessary measures on our own." Then it adds: "but of course on a non-discriminatory basis." It is hard to see how one can take unilateral measures to protect one's own fishermen without discriminating against others.

Even on law and order the parties are at least talking the same language. The tone of the Tory document is stronger, but one only has to go round an urban constituency with a Labour candidate to see how deeply the need to do something about vandalism is recognised even on the far Left. Labour may wish to concentrate more on the cause and the Tories more on the effect of violence, but it is a common problem.

So too is the underlying question of racialism. Even the Tory Manifesto pledges to exercise firm control over immigration are prefaced with the statement: "The rights of all British citizens legally settled here are equal before the law whatever their race, colour or creed. And their opportunities ought to be equal too." On the urban doorstep there is no doubting that resentment of *foreigners has become* an issue.

There are only two other areas that one would pick on, apart from the general approach to the economy and the role of the State in people's lives, as examples of major differences between the parties. One is defence and the other is Rhodesia.

The Labour Manifesto contains this rather surprising statement: "We shall continue with our plans to reduce the proportion of the nation's resources devoted to defence." It had appeared that defence spending was recently going up again, partly as a result of a promise to NATO. Presumably the new promise of cuts was a concession wrung from Mr. Callaghan by the Left in return for their relative restraint on other issues. The Labour statement on the future of the British nuclear deterrent is also *confused to the point of being meaningless.* The Tory Manifesto is unequivocal on both questions. Defence spending would go up, though by an unspecified amount, and the deterrent would be preserved.

It is on Rhodesia that the Tories threaten to go off on their own. They say they may be prepared to recognise the results of this month's Rhodesian elections. If so, there would be a "duty to return Rhodesia to a state of legality." It is an issue that could yet blow up in the last few days of our own election campaign when the Rhodesian results are known. The Tories—and Sir Harold Wilson—have always talked of British duties and responsibilities towards Rhodesia, but the real problem has always been the lack of British power to put those responsibilities into effect. The Tories are on difficult, if not dangerous ground.

The twilight areas

Kept to the last are the the areas where the policies of the two major parties are either mutually deficient or almost non-existent. There is a notable absence of a comprehensive statement on energy policy. There is a great deal of stress on the need for conservation, but little is said about how the different sources of energy are to compete against each other, and who is to be in charge.

Tories and Labour alike remain almost equally mute on the question of the reform of political institutions, an area where the Liberals come into their own. It is at least conceivable that some of our shortcomings in recent years have been due to the way we conduct our political business. To take just one example, there is the question of MP's pay. It is apparently to remain at its present niggardly level.

All in all, it is perhaps just as well that the campaign proper has nearly three more weeks to run. There are a great many questions still to be asked. Even if they will not all be answered, they ought to be put.

Letters to the Editor

Microelectronics

From the Director General, Computing Services Association

Sir,—Readers will be aware of the impending impact of microelectronics upon British society. I want to suggest two things: That the impact will be wider than anticipated, and that the creation of a framework to handle this impact is a vital and urgent step.

Microelectronics in its two prime manifestations will bring about the convergence of telecommunications and computing and the product, which I call information technology, is a resource as powerful, influential *and as useful as electricity. No* part of our lives, our work, our leisure or even our purposes will be untouched by this phenomenon. Opportunities for abuse, deliberately or accidently, are substantial. So control is necessary as well as useful, and a structure or framework needs to be constituted to focus how this technology can be made to serve mankind.

We want to avoid the creation of intellectual overclasses and underclasses; we need to review automation progress; we need to protect private freedoms; we need to anticipate competitive futures for our industrial and commercial activity; we need to shape the methods and content of our education and training *sector to embrace this tech*nology; we need to consider the extent of influences over free speech and communications arising from viewdata developments, and one can go on.

The impact of information technology on products, processes, information systems, consumerism, political intelligence and education will occur through the next 10 to 15 years with increasing rapidity. It is vital that we do not cast away skills and experience that only appear obsolescent while developing new skills that may be obsolescent before they are trained in. We need to consider much shorter, more vocational educational periods than, for example, universities currently offer. A year's intensive, relevant training may be more useful, supplemented by education of a more general nature over several years, indeed why not throughout life?

Above all, a group of wise men and women need to assemble to begin to assess the profile of a programme for Britain relating to this technological development. They should represent Parliament, Press, education, unions, government, industry, law, self-employed and so on—a cross section from all walks of life. Their deliberations and discussions should be widely and regularly publicised and they should be independent of, although advisory to, the Government of the day.

The computing industry has for some years now shown iteself capable of intelligently discussing these problems, but unless the views of the professionals are channelled it is just idle discussion.

Alan A. Benjamin,
5th Floor,
Hanover House,
73-74, High Holborn, WC1.

Harmonisation

From Mr. B. Prodhan

Sir,—I sympathise with Mr. Henry Wilson (April 6). If however, the focus of attention is to be the shareholders, the customers, and the employees for whose benefit the business is supposed to exist, then the auditing profession should be able to cope with the changing circumstances with such aids as activity sampling, critical path, dynamic programming, least cost scheduling, systems analysis and the computer. Anticipation is the key.

I have never heard of a chain store manager complaining that Christmas comes at the same time to all his stores thus making his work load excessive. On the contrary, he thrives on it.

In the interest of efficient allocation of capital, which requires comparability in the yardsticks of efficiency measurement, a common accounting year is of positive benefit. Mr. Wilson's alternative could perhaps be an interim solution, with a common accounting year being the ultimate goal say, in two years time.

B. Prodhan,
(Lecturer in Finance Management),
Strathclyde Business School,
University of Strathclyde,
130, Rottenrow, Glasgow.

Roads

From the Secretary, Road Haulage Association.

Sir,—Mr. Redler asks (April 6) how much it will cost to strengthen roads to carry the extra weight of 44 tonne lorries. The answer is that if these vehicles are to be permitted the roads will not have to be strengthened. They will be fitted with an additional axle so that no extra weight will be transmitted to the road surface through each axle.

The answer to his complaint about the "shocks of lorries passing over bumps or potholes" is that the roads' smooth surfaces should be maintained out of the taxation paid by road users, all of whom, including *lorry owners, pay more than* their fair share.

E. W. Russell,
Roadway House,
22, Upper Woburn Place, WC1.

Guide

From Mr. P. Turner

Sir,—May I offer a plain man's guide to the Common Agricultural Policy? Half your readers' eyes have no doubt glazed over already.

When beef is imported from Germany at less than the cost of production, and when French wheat and Danish bacon are sold here at less than the cost of production, that is dumping. When this is done with the blessing of all the Governments involved, this is not a common agricultural policy, it is discrimination.

There are differences in national approach, however. Mainland European governments broadly believe that prosperous agriculture is a pump-primer for the national economy, that this means increased production generally, a better rural-urban balance, a better balance of payments, and less dependence on outsiders. The British approach is different. We believe that cheap food wherever it comes from, means cheap labour and cheap goods. If anyone thought that the phrase "and nasty" occurred there, disregard it as subliminal.

My purpose is not to enter this great debate, only to equip people for it; so remember the essentials, CAP means discriminatory agricultural policy, and Green Pound or monetary compensatory amounts mean dumping.

P. A. Turner.
Gardenstone Farm,
Hutton Rudby,
Yarm, Cleveland.

Taxing

From Mr. J. Lewis

Sir,—Professor Heywood (April 4) suggests that the Revenue's objections to self-assessment, set out in a recently published report, are simply a defensive reaction.

The report (available from Somerset House) is a fairly lengthy document, and I would not try to summarise it here. But if Professor Heywood reads it, he will find that it is not as one-sided as his letter implies. The report looks at possible future PAYE developments, mainly after the system has been computerised: and self-assessment is one of a number of options examined. It was not the purpose of the report to make firm recommendations; but both sides of the argument are set out, and the report specifically recognises that self-assessment should not be ruled out as a possible future option.

Professor Heywood also suggests that it would have been better if our self-coding trials had been carried out by an independent organisation. In fact, the first experiment in 1971 was run entirely by the Office of Population Censuses and Surveys; the second, last year, was organised jointly by the Revenue and the Applied Psychology Unit of the Medical Research Council.

J. P. O. Lewis.
Inland Revenue,
Press and Information Office,
Somerset House, WC2.

Savings

From Mr. S. Blanche

Sir,—Professor Constable, of the Cranfield School of Management (April 4) merely reinforces what is wrong with our society today. Politicians of all parties make us wild promises none of which they intend to fulfil. What we should really be looking at is what governments do with our money once they get their fingers on it.

Professor Constable gives a tiny example of how our money is being wasted, and this of course is only minute illustration of what goes on—so let's all press politicians to explain how they are going to save our money and not how they are going to give it away.

S. Blanche,
Blanche and Co.
Thames House,
Wellington Street,
Woolwich, SE18.

Allowances

From Gladys Hamilton.

Sir,—I think the details of the proposed changes in personal income tax allowances (April 4) are slightly misleading. I think this should have read "single age allowance."

I am a single pensioner but my personal allowance is currently £985, as for every other single person. Since some firms and even nationalised industries make it compulsory for a woman to retire at age 60, I have often contemplated that the age allowance should be granted to a woman on retiral then—or as you have aptly printed it "single pensioner's allowance."

I am not discriminating here—the actuarial retiral ages are and always have been 60 for a woman and 65 for a man. The powers that be seem to consider that a woman retiring at 60 can do further work until she is 65, but not every woman wants to do this or is in fact able or fit to do so. The same applies to a man at 65—some may be able to carry on further work, but most prefer to retire as is their right.

Why I feel we ladies are being slightly discriminated against in the "age allowance" is because I am sure when the miners begin to retire at 62 (which is about to happen shortly and with which I fully agree) they will find their works pensions very highly taxed (as compared to other colleagues) because they will be in the lower personal allowance bracket (whether single or married). I feel almost certain that when this is realised there will be some legislation brought forth to remedy the situation.

I have only on one occasion seen a reference to this "injustice" in a woman's magazine, but no Member of Parliament seems to have considered it. As I say, however, I am sure that when the miners begin their earlier retiral then someone might start to wonder why he is having so much deducted from his works pension.

Gladys M. J. Hamilton.
21, Bavelaw Gardens,
Balerno, Midlothian.

Exporting

From Mr. R. Musgrave.

Sir,—BL has occupied several square feet of your pages recently to inform us it is the country's biggest exporter. Perhaps I may be allowed a few square inches to point out that there is nothing very clever about selling, abroad or at home, if it is done with the assistance of hundreds of millions of pounds of taxpayers' money—i.e., at a loss.

The going rate for dollars is over two per pound sterling. The cost to the country of purchasing dollars via BL cars is considerably more than this. Should not the relevant resources be diverted to firms which can get their dollars with more proficiency than BL?

R. S. Musgrave.
24, Garden Avenue,
Framwellgate Moor, Durham.

A somewhat incompleat angler

هكذا من الأصل

BY JOHN CHERRINGTON

I HAVE fallen between two fishing stools, if you see what I mean.

It's all to do with the British class system. As a child of industrious parents, and educated by the excessively puritan doctrines of saving and self-denial, all my early fishing had to be free. It would have been almost incredibly spendthrift to have invested in fishing holidays where game fish, trout and salmon were available. This was reserved for the very rich who were born to it, or the profiteers who had grabbed enough money to be able to buy such fishing for themselves.

So like the great mass of the British people I had to start with coarse fishing, in competition with many more expert than I. That is not to say I never caught a trout during my youth; but I cannot be said to have been a purist.

Some miles from my home at the time was a chalk stream, the Gade. Some quite nice trout were to be seen under the bridge which takes the main road across some old hatches. It wasn't difficult to cycle up to the parapet and rest against it admiring the view—while at the same time dangling a hand line into the water.

There was no finesse: it was just a question of dropping the worm into the slack. I always used a worm, hauling in fast when it was taken, stuffing the victim into my satchel and shooting off at top speed. I was never caught. But one of my acquaintances, determined to do the job in style, set up a proper fly rod and arrived at the bank at sunrise—only to meet the keeper and have his tackle confiscated.

Once home, I was able to convince my mother, who at the time did not know any better, that my trout came from the canal, my only legal fishing venue.

I must have been about eight when I caught my first fish. I was in the charge of a French governess on a Gloucestershire farm and she had heard that there were eels in the farm pond.

She made me up a rod and line complete with bent pin for a hook and baited with a worm from the garden. I dropped it in the water and it was immediately taken. I was petrified. "Tire vite," she shouted in my ear. I jerked the rod and a wriggling eel shot out of the water and over my shoulder, to be grabbed and put in the governess's bag. I caught about half a dozen before they stopped biting and I gave up for the day.

The next morning she showed them to me swimming headless in the saucepan in which they were to be boiled. I burst into tears, taking no notice of her assurance that the wriggles were only produced by nerves. I have never willingly caught an eel since, and will only eat them smoked to this day.

There then followed several years of coarse fishing, though by then I was well equipped with rod, line and a bucket for the fish I was going to catch. I spent the best part of two years by the Hampstead ponds, shoulder-to-shoulder with many other fishermen watching floats that never bobbed. I can't remember ever catching anything, not even a gudgeon. But I did have a hand in catching a hefty carp.

It was the habit of those Hampstead fishermen to leave their rods supported by forked sticks while they busied themselves throwing in ground bait, drinking beer, eating sandwiches, reading the paper or just sleeping.

Suddenly, there was a commotion just down the line. A rod was plucked violently from its rest and towed round the pond a number of times. Eventually it passed quite close to me, and as I had the longest rod on the day, I lent it to the fisherman to catch the floating rod. This he did, and eventually brought in the carp, an eight-pounder.

Strangely enough, I had much the same experience last year in Scotland. I was salmon fishing, and on the fifth day of an absolutely blank week I put my rod down with the fly in the water and turned my back to spend a penny. While so occupied, I heard the reel begin to turn. But before I could grab it, the rod had been pulled into the centre of the pool where it sank at once, not to be retrieved until the next morning after the fish had got off.

The moral of this is that when static lining for salmon, or anything else, it is best to secure the butt of the rod. Static lining is unethical, I am told.

I also took up sea fishing on family holidays in Britanny. The cook at our boarding house encouraged me, and like all perfect women was pleased to clean my catch. She also taught me that limpets eaten fresh off the rocks were just as nice as oysters. "*Les huitres des pauvres*," she would call them.

Sea fishing came to an end during my engagement. In those days fathers-in-law took a keen interest in their daughters' future husbands, and mine gave me a test by taking me on a family cruise on his yacht. I did not do very well. I pulled the wrong ropes, steered in the wrong direction and then, in spite of the fact that I had sailed unscathed around Cape Horn, was sick.

To recover my position, I put a line over the side and soon started to pull in mackerel, which I passed to my intended for her to prepare for the pan. Those who catch the fish, said father, must clean them, and in any case they stink the boat out. I have been a family fish cleaner ever since.

I began to attack the trout in a big way in New Zealand. At one place I worked there was a small stream containing a few small trout. When we killed a sheep it was hung over the water and the blood and other bits used to fall in. The trout, naturally, were nice and plump and would take a chunk of meat on a hook. They had a marvellous flavour, and made a change from mutton at every meal.

There were other means: in the bigger rivers there were some very good fish, and the technique was to fire a .303 bullet into their midst. The shock would stun them and they could be raked in as they floated downstream. It was also possible, although I was never successful, to mix acetelyne and water in a lemonade bottle—one of those with a marble in the neck—and sink it in a pool. Pressure of the gas would make it explode, and up the fish were supposed to float.

This, according to the experts, was nothing like as effective as a Mills grenade. But grenades were scarce in New Zealand at that time. I would never really use such means, of course, but once, while in the Home Guard, I was sorely tempted.

The reason for this uncharacteristic probity was simply that I was becoming increasingly infected with the sporting ethic which, like the work ethic, is one of the most pernicious afflictions to be suffered by mankind.

There are rules in all game fisheries as to the types of baits to be used. The permitted baits are not necessarily those which fish will take as a first or second choice. If they were, rivers and reservoirs would soon become empty, unless fished by coarse fishermen, who put them back and in consequence can use anything.

Living near the River Test, I had heard and even read about the delights of fly fishing, and soon after the war I began to attack the trout legally at last. My slowly increasing economic status had eroded, as it so often does, my penurious principles.

I began by attacking the rivers and lakes of western Ireland with indifferent success. There was always a ghillie in the boat and, while an interesting character of great charm, it was he who always hooked all the fish. I began to lose interest in lake fishing and decided to have a go at dry fly in the Kennet and finally the Test.

A lot of nonsense is talked about dry fly fishing, but the principle is quite simple. All you have to do is to deposit a floating fly within reach of a rising fish without scaring it, in the hopes that it will be taken. The fly should bear some resemblance to those floating down the surface at the time. What skill there is depends on the gentleness with which the fly hits the water.

While still learning, I entered the casting competition at one of the early game fairs. Here the object was to drop the fly in hoops floating on a pool. I noticed my fellow competitors were casting as if there were wary fish around, so that the strong wind was spoiling their accuracy . . .

I used brute force, splashing the fly in every hoop and walking off with the first prize. My casting was the object of derision and the applause at the prize-giving negligible. I have never won it since, but I regard the subsequent imitation of my technique as the sincerest form of flattery.

The Test, where I have fished for 20 years, has provided the finest antidote to the trials and tribulations of life. When I say to my staff or my family that I am off to the bank, they don't know whether I am going to draw the wages or waste another afternoon.

But it's not always a waste of time. Many years ago I was driven by a thunderstorm to shelter in a fellow rod's Jaguar. All through a long very wet afternoon we talked and supped a little gin. In the end, he disclosed he was the (now retired) editor of this paper. I admitted to being a desultory writer. As a direct consequence I joined the FT.

I wonder who caught whom that day.

Weekend Brief

Canterbury tales

As the church celebrates the the most holy week of the year there are increasing thoughts within the Church of England about the future of its spiritual head, the Archbishop of Canterbury.

Dr. Donald Coggan will be 70 in October and since this is the age at which most clergy retire there is speculation that the primate will probably bow out towards the end of the year. There is, however, no obvious successor who has emerged during the five years of Dr. Coggan's incumbancy.

The succession to Canterbury is complicated this time by the pending retirement also of the Bishop of London, Dr. Gerald Ellison, better known to a wider audience perhaps as a one-time umpire for the boat race. The diocese of London is one of the most senior in the church after Canterbury and York and might ordinarily have provided a candidate.

What the church seeks is a scholar, administrator, and a leader able to communicate with the most humble parishoner. Since the Church of England is also spiritual leader of the Anglican episcopacy around the world the next archbishop must be able to wield influence of an international scale. Indeed, there is some evidence that the church overseas, especially in the United States, is wanting a bigger say in the succession to Dr. Coggan.

On top of this, the archbishop has to reflect the balances within the church. Dr. Coggan represents the low or evangelical side of church life; his predecessor, Michael Ramsay, an outstanding occupant of the see of Canterbury, was a high churchman. This time it is the turn of the high church to occupy Lambeth Palace, the archbishop's headquarters on the Thames opposite Parliament.


Bishop Sheppard: may find that the Highs have it.

This would seem to rule out Dr. Stuart Blanch, who at 61 is the Archbishop of York and, in theory, number two in the church's hierarchy. It would probably also count against the popular Bishop of Liverpool, the Rt. Rev. David Sheppard, who once played test cricket for England.

The leading contender on the Anglo-Catholic wing of the church is the Rt. Rev. Graham Leonard, Bishop of Truro. Dr. Leonard, who was suffragen bishop of Willesden, in north London, before being translated to Cornwall, has grown in stature enormously during the past few years and become an influential voice in church affairs.


Archbishop Coggan: retirement year?

One quibble is that he might be a little too high for many people's tastes. Earlier this year he appointed Brother Michael, of the Society of St. Francis, as his suffragen bishop, an indication of where his theological loyalties lie. There are also fears that he could endanger the fragile flower which is unity with the nonconformist churches in order not to imperil the greater, to him, desire for a dialogue with Rome.

Memory lane

On the eve of Rhodesia's internal settlement elections, the mood of the country's Whites seems to find a reflection in the plethora of cheap souvenirs on sale in the shops of Salisbury.

Whites are reluctantly resigned to a Black-led government, are nervously wondering whether they should remain in Rhodesia or emigrate, and are indulging in a nostalgic look back to the days when they never had it so good. But above all they remain obsessed by the constantly escalating bush war against the guerrillas of the patriotic front.

Each of these states of mind finds some reflection in the products of the Rhodesian souvenir industry — itself a reflection of the era for a commercial opening which had allowed the country to circumvent UN sanctions for so long. With every White Rhodesian male adult under the age of 60 mobilised for this month's elections it is hardly surprising that the war dominates the momentoes market, with products for various tastes.

For the man who must have everything, there are ballpoint pens, cufflinks and keyrings fashioned out of FN rifle bullet casings. For the home, there are kitsch little sherry goblets, also made from bullet casings, or copper wall plaques engraved with a map of Rhodesia and showing the various "operational areas" or war zones.

Those who prefer something a little more exclusive could buy a limited edition of original prints, entitled "Shadows of War," printed on matt art paper and individually signed by the artist, Mr. Peter Badcock. These include drawings of white and black Government soldiers in a variety of sentimental poses, as well as schmaltzy portraits of Black refugees. One of them in rather dubious taste, shows a White soldier sitting in a latrine with his trousers round his ankles, gazing pensively into the mid-distance.

But perhaps the biggest hits of the moment are mementos associated with last October's Rhodesian raids into Zambia. You can buy a T-shirt emblazoned with the words "The Rhodesians are coming" above a cartoon-drawing of a group of wide-eyed, horror-struck guerrillas fleeing in every direction. Or you can curl up with a copy of the novel "Operation Zambezi," a fictionalised account of the "Lives and loves typical of the Rhodesian troopies," who took part in the raid on Zambia. Wildly patriotic, it is selling like hotcakes in Salisbury, although it is not exactly the style of writing of which Nobel prizes are made: "His AK Slee splattered into life and ripped into Dipenaar's guts as he was swallowing his first burning mouthful of coffee. He died clutching the cheap china cup and thinking that he had forgotten to pay this month's mortgage instalment."

Intertwined with all this military memorabilia are souvenirs which play on a wave of white nostalgia for the era of political domination that is drawing to a close. You can buy a cartoon history of the country since UDI or a record entitled "Rhodesia the brave and the beautiful."

One of the most telling souvenirs is a book of cartoons entitled "The Whenwes of Rhodesia." Whenwes being emigrants who live so much in the past that their every other comment is prefixed with the words "when we were in Rhodesia . . ." The Whenwes, the cartoons suggest, are to be found disgruntedly trying to settle down to a new life in Britain, South Africa or the Antipodes, constantly comparing their new surroundings unfavourably with Rhodesia.

One portrays an elegant Mrs. Whenwe standing in a bus queue alongside a group of downtrodden workers reminiscing about the time she lived in Salisbury and had four servants, three cars, played bridge every morning, golf every afternoon but was always home in good time for drinks at six.

Jet sets

In 1962, an adaptation by Beverley Cross of Marc Camoletti's Parisian boulevard comedy, *Boeing Boeing*, opened at the Duchess Theatre, capitalised at £6,000. It ran for over five years, made a profit for producer John Gale of £135,000, out of which the investors were repaid 15 times over.

Can Camoletti, Cross and Gale repeat the winning formula with *Happy Birthday*, which opens at the Apollo Theatre in Shaftesbury Avenue on Wednesday and stars Ian Lavender, Christopher Timothy and Julia Foster? Although the play has only one set and five characters, inflation and soaring costs in a labour-intensive industry have seen to it that *Happy Birthday* capitalises at about £48,000, the sort of sum with which you could mount a big musical several years ago.

Although critics may frown—the reviews for *Boeing Boeing* were, on the whole, vitriolic—Mr. Cross insists that the best of Parisian boulevard comedy is in the tradition of Feydeau, with an indigenous, often untranslatable charm. The writing of Camoletti uses tricks of repetition and timing which demand, he says, "a sort of metrical translation." He points out, too, that the lead role in *Boeing Boeing* provided a genuine vehicle for such accomplished light comedians as David Tomlinson, Leslie Phillips, Peter Jones and Ian Carmichael, all of whom played in it. "That Gerald du Maurier tradition of acting will die if we are not careful," he avers, delighted at the way Messrs. Lavender and Timothy are finding the style.

Mr. Cross, who is married to actress Maggie Smith, was keen to call the new piece "Concorde Concorde," but soon threw out the few pages of painfully interpolated script that would have allowed him that pleasure. "As in *Boeing Boeing*, there is no social comment whatsoever, a fact which I feel is not unconnected with its success all over the world. I should think it is played somewhere on every night of the year; it is particularly successful on the supper theatre circuit in America and Canada."

Despite Mr. Gale's jackpot record (his other, even bigger, money-spinner is *No Sex Please, We're British!* still running after eight years at the Strand) he is generally gloomy about the future of the commercial theatre in London: "It will be finished within six or seven years unless we receive considerable help from the Government or municipal authorities." While he would not snub direct subsidy, he feels the answer is for private investors and industry to be allowed to write off their contributions against tax. The Finance Act of 1963, which attacked "featherbed farming," hit the theatre very badly, he says, and now is the time (although it is hardly likely to become an election issue) for the Government to look again at the serious problems confronting the independent theatre.

If *Happy Birthday* takes off, it will not provide any long-term solutions, but it may buy a bit more time in the fight for survival.

Polls apart

BEING out of the country on business for the last stages of the election campaign, and for polling day itself, has advantages and disadvantages. Too often it is like missing one of those parties which everyone says was boring but never cease to talk about. Pleasant surprise number one was the understanding helpfulness of the local electoral registration office—"proxy sir? Certainly, just sign here." Less endearing was the attitude of friends asked to do the necessary. There was lots of nudge nudge, wink wink, "you'll never know how I voted will you?"

Then came the task of making sure I actually hear the results. BBC World Service, already quite the best of the Beeb's radio channels, is planning full scale coverage starting at 22.30 GMT (that is 11.30 pm local time) and going on until three in the morning (4 am in summer time). According to my reading of the schedules if you are heading east—anywhere from Rome to Sydney—this is bad news as it is the worst time for reception. For anyone heading west, however, the timing could not be better. In the Americas it means an evening of results rather than a night of it, provided you have a short wave radio, of course.

And so, armed with my tranny, I'm off to make the most of things. But what about the proxy? Well, in the end my selected candidate's wife agreed to cast my vote (you can cast three votes, your own and two proxies): I only hope they are still on good terms on May 3.

Contributors:

Anthony Moreton, Martin Dickson, Michael Coveney and Arthur Sandles.

Economic Diary

Statistics expected to be published next week include:

WEDNESDAY — Building Societies' receipts and loans (March). Retail sales (March-provisional). Basic rates of wages and normal weekly hours (March). Monthly index of average earnings (February). Cyclical indicators for the UK economy (March).

THURSDAY — Unemployment and unfilled vacancies (April—provisional). UK banks assets and liabilities and the money stock (mid-March). London dollar and sterling certificates of deposit (mid-March).

FRIDAY—Sales and orders in the engineering industries

UK COMPANY NEWS

Pontins boosts Coral to £22m but earnings fall

INCLUDING a first time contribution from Pontins holiday camps and improved performance from bookmaking, Coral Leisure Group lifted taxable *profit by £3.5m in 1978.*

Despite a sharp downturn of £4.4m at the trading level for casinos and a lower result from *hotels, the group finished the* year to December 28, with profit ahead from £18.54m to a best ever £22.01m. Of the total £14.53m, against £10.95m came in the second half.

However, after tax of £9.74m (£8.31m) on capital enlarged by acquisition, stated earnings per 10p share were down from 17.04p to 13.68p.

At *year end shareholder funds* were more than double at £78m (£37m) and total capital employed amounted to £115.6m (£51.3m) including long and medium-term borrowings more than trebled from £7.9m to £25.9m.

Mr. Nicholas Coral, the chairman, says that 1979 must be a time for consolidation to effect the necessary restructuring and *to obtain the maximum benefits* from recent expansion and diversification.

The company is confident of a significant gain in overall profit *but interest, which cost £4.37m* (£1.66m) last year will have a more important impact than previously, he states.

By taking advantage of a buoyant stock market the directors hope also to realise an *appreciable profit from the sale* of the group's 6.9 per cent holding in Associated Leisure.

A net final dividend of 3.7p lifts the total to a maximum permitted 6.7p (6p).

Group turnover for the year was up £92m at £309m and trading profit was higher at £26.38m compared with £20.2m.

Analysed on an activity basis these totals included, in £000s: *bingo £6,233 (£4,889) and 1,773* (£1,206); racing £186,748 (£160,851) and £6,290 (£3,915); casinos £22,457 (£26,032) and £7,116 (£11,521); hotels, UK £29,808 (£20,102) and £2,866 (£3,469) and in Europe £3,088 (£1,552) and £1 (£82); *and other* activities £8,729 (£1,418) and £1,458 (£692).

In addition this time Pontins, acquired at beginning of 1978, *produced a £6.93m profit on* £32.2m turnover *in the* UK and £1.63m on £17.6m in Europe. The hotel result included Centre Hotels (Cranston) bought in 1977.

Mr. Coral says that a downturn from the West End casinos was foreseen as the previous 12 months had been Jubilee Year and the pound had been weak: "Unfortunately the measure taken did not sufficiently offset a reduction in turnover."

There was a good performance *by the provincial casinos where* increased profits are anticipated.

During the year the group took on the management of casinos in Santander and Marbella, Spain. These have traded profitably into the current year.

See Lex

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Automotive Products	0.77	June 21	0.7*	1.52	1.36*
Beaufurn	2.53	—	2.34	3.73	3.34
Benford Concrete	1.36	May 25	1.29	2.03	1.82
Berwick Timpo	1.57	Sept. 13	1.39	3.33	2.99
Bifurcated Eng.	2.1	May 25	1.9	3.1	2.82*
Bowthorpe	0.96	July 2	0.87	1.8	1.62
Brown and Jackson	2.5†	—	1	4.5	1
Carpets International	3.33	May 31	Nil	5	1.65
Coral Leisure	3.7†	—	3.36	6.7†	6
General Investors	2.8	May 25	2.4	4.5	4
Green Econ.	2.62	June 2	2.12	4.74	4.24
Jones Group	3.25	—	2.93	3.9	3.58
Oil Exploration	2.35	—	2.11	2.35	2.11
Richards & Wallington	3.38	May 22	3.03	5.04	4.51
William Sindall	4.47	June 6	4.07	4.47	4.07
Triplevest	2.5	April 30	2.08	4.94	4.39
Viking Resources	1.32	June 25	1.1	1.32	1.1

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

Record £6.5m for Bowthorpe

Bowthorpe Holdings announce record sales and profits in 1978 for the third year in succession.

The electrical and electronics components group made taxable profits of £6.52m on sales of £43.99m. This compares with pre-*tax profits of £5.92m on £36.9m* sales in 1977.

Earnings from overseas companies again made a significant contribution. At midway when pre-tax profits were £3.3m (£3.01m) the directors said they expected first-half profits to be maintained in the second.

The final dividend is 0.957p per 10p share making a total *of 1.8p per share (1.62p).*

● comment

Bowthorpe has posted a useful *increase in pre-tax profits despite* pressure on margins. To some extent the squeeze was of the company's own making. It shifted its Hellermann Electric *subsidiary to a new larger factory* in Plymouth and had to train some 350 local employees. Another subsidiary, in the U.S., also moved to a new factory and that took a slight edge off a record year for operations on the other side of the Atlantic. A components manufacturer, the group is dependent on demand for other people's products. During the year there were no *real hiccoughs but the company* is watching the developments on cancelled arms sales to Iran with interest, as it supplies components for Chieftan tanks. The prospects for 1979 are promising particularly as production was not affected by the bleak weather or the lorry drivers' strike. The shares at 83p have a yield of 3.3 per cent and a p/e of 11.4.

Automotive Products rises 11% to £15m

Automotive Products says that despite the Ford strike at the end of last year and the closure of the important Iranian market, taxable profits of the group for 1978 were up by 11 per cent from *£13.6m to £15.13m on turnover of* £179.4m against £159.8m.

The combined effect of the transport drivers' strike and the bad weather has severely depressed trading activities at the start of the current year, *and they say the first half may* well fall short of last year's £7.41m.

After encouraging progress in 1978, the filter division's manufacturing facility at Bolton was destroyed by fire in February 1979. Certain essential *plant and* tooling was salvaged and limited production quickly resumed in temporary premises but the directors say it is not expected to have any material effect on the 1979 profits or cash flow.

Potential for the company's products offered by the American automobile manufacturers' move into smaller world type car production is substantial, the directors say, and production of original equipment clutches at the Troy, Michigan, plant of Automotive Products is *planned to begin in mid-1979,* with a range of components for the American Motors and Chrysler corporations.

The dividend total for the year is effectively increased from 1.36196p to 1.52085p net with a final of 0.77085p.

Tax for the period, adjusted to a change in policy, was down from £7.34m to £5.65m and there was a £3.83m transfer from the deferred tax account leaving the net profit for 1978 well up at £13.31m against £6.26m.

The group's parts and service division at Banbury continued to experience a healthy export *demand despite the loss of turn*over to Turkey, the Sudan and, in the latter part of the year, Iran.

Parts business with overseas vehicle manufacturers following original equipment penetration was particularly buoyant, directors say. In the home market demand was not up to expectations in the first half, with important customers destocking, and the strong recovery during *the third quarter was somewhat* diluted towards the year-end by the Ford strike and serious industrial dispute disruptions suffered by other customers.

The directors add that 1978 was also a further year of expansion *for the company's UK* distribution organisation, with 20 new depots being opened; the division achieved a 31 per cent growth in sales.

Normal working was resumed by all major original equipment customers last December, and the company moved into 1979 with good order coverage across virtually the entire range of its products, and well-balanced inventories.

See Lex

Upturn for Green's Economiser

AS FORECAST, Green's Economiser Group staged a second-half recovery. The company, which saw taxable profits slump from £1.05m to £99,594 at midway, lifted the surplus at the year-end to £1.26m, compared with £1.65m. Turnover rose from £16.97m to £17.03m.

The half-time decline was due to a £2.28m fall in turnover to £6.78m.

The Board now says that the significant profits upturn should be sustained in 1979.

After tax of £168,973, compared with £703,689, the net figure is up from £948,395 to £1.1m. Stated earnings per 25p share, after tax, are ahead from 11.4p to 13.1p. The before-tax figure is 15.2p (19.8p).

The net final dividend of 2.6152p lifts the total from 4.2405p to 4.7352p.

The 1978 accounts are based on SSAP 15, and the 1977 figures have been adjusted accordingly. This has reduced the 1978 tax provision by £554,850 and the previous year's by £182,550.

More Company News, Page 28

New Hambros offshoot bids £3.9m for Collett Dickenson

A NEW company 75 per cent-owned by Hambros, the leading merchant banking group, is to bid £3.9m cash for Collett, *Dickenson, Pearce International,* the British advertising agency.

The other 25 per cent of the bidding company is owned by two directors of Collett and 11 senior executives.

Collett Dickenson is Britain's *sixth biggest advertising agency.* Apart from the Saatchi and Saatchi Group it is the only British-owned agency in the current Top 10. Collett's advertising billings last year were £47.7m compared with Saatchi and Saatchi's £55.1m.

Collett is also the most award-laden agency in Britain. It has built its reputation on stylised, innovative work for a roster of *blue-chip clients that includes* Birds Eye, Barclays Bank, EMI Records, Fiat, Gallaher, Hovis, ICI, Texaco and Whitbread.

At one stage last year, Saatchi was reportedly planning a bid for CDP, but the talk came to *nothing.*

Mr. Frank Lowe resigned last September as managing director of the agency although he continued to act as a consultant. Earlier in the year the Inland Revenue said it planned to launch criminal proceedings *against the holding company,* the chairman, Mr. John Pearce, *the trading subsidiary and Mr.* Lowe. The charges were thought to have arisen out of inquiries into the affairs of the group before 1975. The company made a *£600,000 tax provision.*

Collett raised its profits last year from £1.39m to £1.53m. But tax and extraordinary items left earnings down at £330,154.

Shareholders are being offered 118p per share but will *not be entitled* to the proposed final dividend of 1.9119p. The shares closed at 85p on Thursday.

Three directors not participating in the offer, *following* advice from S. G. Warburg, will *recommend acceptance of* the bid. They intend to accept in respect of their 6.4 per cent stake. If the bid succeeds, Mr. Pearce would retire from the board but continue his association with the company. Two Hambros representatives, *one of* them Sir Ian Morrow, would join the board. Sir Ian would become chairman.

More bids and deals, Page 28

Benford Concrete at £3.3m

TAXABLE PROFIT of Benford Concrete Machinery fell from £3.84m to £3.28m in 1978, on turnover of £20.45m, against £18.4m.

At mid-year, when the surplus was down from £2.02m to £1.61m the directors said margins had been squeezed by keen competition in a dull home market and reduced export demand.

Tax of £1.72m (£2.02m) left the year's stated earnings per 10p share 1.21p lower at 7.02p. A net final dividend of 1.358p raises the total to maximum permitted 2.028p (1.816p).

A revaluation of fixed assets at year end showed a £2.02m *excess over book value. Reserves* now stand at £9.6m.

Brown & Jackson well ahead

FOLLOWING acquisitions made during the year, Brown and Jackson, construction group, report a substantial rise in turnover and profits for 1978.

Turnover was up from £10.19m to £34.31m and after tax profits came out well ahead from £282,000 to £1.68m.

Earnings are shown as 73.68p per 20p share against 16.25p and *the dividend is up by 3.5p to* 4.5p with a final payment of 2.5p net.

The attributable balance is £1.48m (£279,000) out of which dividends will take £90,000 (£20,000).

Slight rise for Oil Exploration

INCLUDING an exceptional credit of £180,000 pre-tax profits of Oil Exploration (Holdings) moved ahead in 1978 from £1.42m to £1.6m. Turnover was maintained at £4.99m (£5m), despite the reduction in gas and crude oil sales, which was expected.

At halfway profits were little changed at £968,000 (£1m).

Profits from U.S. operations for the year came to £365,000 for the year compared with £329,000 last time, and pre-tax figure was struck after exploration expenditure written off of £387,000 (£294,000).

After tax, £403,000 (£206,000) and unrealised exchange differences of £143.00 (£124,000) the attributable balance emerged at £1.05m against £1.09m.

Before exchange differences, earnings are shown as 9.18p (8.35p) per 10p share and the dividend is increased from 2.1076p to 2.3505p net, absorbing £306,000 (£274,000). The amount retained is £745,000 (£817,000).

The group has changed its policy on deferred tax; the provision made prior to 1978 has been written back to reserves.

Carpets Intl. stages recovery

A £3m RECOVERY was staged by Carpets International in 1978, helped by the reduction in losses *in Australia.* The group pushed up *taxable profits from a* depressed £1.32m to £4.48m on turnover ahead from £110.67m to £115.46m.

The final dividend has been *reinstated after last year's omission.* The payment is 3.325p net per 50p share, which takes the total to 5p, against last year's 1.65p.

At midway taxable profits were up from £0.65m to £1.13m—*second half profits therefore* showed a marked improvement from £0.67m to £3.36m.

The UK companies turned in record £5m (£3.09m) pre-tax profits on turnover up £8m at £85m. Direct exports went up marginally from £9.4m to £9.5m but exports to overseas subsidiaries dropped from £4.5m to £3.7m.

But the group says that although there will be increasing *competition from countries with* lower raw material and energy costs it expects to raise its home market share and improve its export performance.

In Australia, the losses in Pacific Carpets International, were reduced from £3.3m to £1.8m. The directors say that there has been an encouraging upturn in demand for the company's products in the first three months of the year, but they cannot yet say whether it will *return to* overall profitability this year.

The manufacturing companies in Canada, Malaysia, Thailand and U.S. made excellent progress and in New Zealand, Feltex Carpets made a good second-half recovery.

The directors add that in spite *of the high-level of capital spending* net borrowings were cut by £0.4m. The working capital increase was limited to £1.2m.

Tax for year takes £1.04m against £3.47m, leaving £3.44m (£0.85m), and after minorities of £0.26m (£0.09m), earnings are well ahead from £0.76m to £3.18m. Stated earnings per share are well ahead from 3.2p to 13.4p.

● comment

The dramatic reduction in Australian losses puts CI on a firm recovery trend, although a return to the heady profit levels of 1973 is probably still about a year away. At one time Australia contributed about a quarter of group sales but this has now dropped to less than a tenth after severe competition from *cheaper imports forced the company* to make some major cutbacks. With the rationalisation now complete there is a good chance of that company returning to profits this year. Elsewhere, with the exception of *Germany and New Zealand,* all areas show an improvement although UK exports have been held back because of the stronger pound. Overall volume sales have been static with gains in Axminster and tufted carpets *being offset* by downturns in the Wilton and non-woven varieties. The continuing influx of cheaper imports, a strengthening pound and the recent rise in raw material prices injects a note of caution into the current year but *CI, which has a strong market* share in both its principal markets, is well placed to benefit from any gain in consumer spending. With a p/e of 4.8 (low tax charge) the shares, at 68p, yield a solid 11.5 per cent.

Bifurcated increases to £1.6m

RECORD profits for 1978 are announced by Bifurcated Engineering, the rivets, parts feeding and packaging equipment group. The taxable surplus went up from £1.4m to £1.59m after static first-half profits of £788,000.

And the group is looking for similar earnings in the current year, aided by new plant, higher productivity and the development of new products and markets.

Turnover for the year was up *from £12.2m to £13.2m and exports* were a record £2.39m (£2.26m). Sales from the specialised machinery companies were also a record despite a shortage of skilled labour.

Tax takes £811,000 (£725,000) *and an extraordinary debit last* time of £81,000, leaves a surplus of £777,000, against £591,000. Stated earnings per 25p share are ahead from 8.92p to 10.33p.

The total net dividend is lifted from an equivalent 2.8114p to 3.0985p with a final 2.[illegible]p.

Richards & Wallington advances

AS EXPECTED, the directors of Richards and Wallington In*dustries, crane hire group,* report an increase in taxable profits for 1978 from £2.69m to £3.03m following the rise from £1.01m to £1.2m at halfway. Turnover for the full period was ahead at £35.48m against a pre*vious £32.44m.*

Mr. Roy Richards, the chair*man, says that despite a difficult* start to 1979, due to the transport strike and bad weather, it seems likely the year will show a further profits increase.

Stated earnings per 10p share are 18.36p compared with 16.79p *and the dividend total is lifted* from 4.5124p to 5.03885p net with a final payment of 3.37885p.

Tax for the year took £468,000 (£337,000) and there was an extraordinary debit of £479,000 (£238,000) leaving the *attributable balance at* £2.09m (£2.11m).

Extraordinary items comprised £550,000 terminal losses, relocation and reorganisation costs; provision of £78,000 against increased cost or repayment of dollar loan no longer required; decrease of £7,000 in value of net assets of overseas companies due to exchange rates fluctuations.

The attributable profit is reduced by £660,000 (£591,000) by the cost of dividends, Mr. W. R. Richards having waived some £38,800.

● comment

After a rise of around a fifth at the interim stage, the 13 per cent annual pre-tax profit improvement from Richards and *Wallington comes as something* of a disappointment. It seems that the plant hire market softened appreciably last autumn but demand has since picked up to the extent that the group is now talking of 100 per cent plant *utilisation which it believes will* be more firmly based than a short term recovery in the wake of the haulage strike and the freeze. That should offer plenty of support for shares, unchanged yesterday at 90p, where the fully taxed *p/e* is 8½ and the *yield* is 8.7 per cent. Manufacturing interests made around £350,000 and are not expected to contribute very much more this year *but the group intends to make a* significant inroad into borrowing levels. Capital spending in 1978 reached around £7m which will be cut back this time to equate broadly with cash flow of £5.6m.

Mr. Raper lifts St. Piran stake to 13.54%

Mr. Jim Raper, previously a chairman of Saint Piran, has *increased his stake* in the company from 9.9 to 13.54 per cent through his Hong Kong company, Gasco Investment. Mr. Richard Bywater, a nominee of Gasco, has been appointed a new director of Saint Piran.

Mr. Raper has been thought by some shareholders of Saint Piran to exercise considerable influence over the group in recent years. He was a consultant for several years before leaving that position early this year.

Last year, Saint Piran refused pleas by various shareholders and Joseph Sebag and Co., the company's brokers, to appoint *one or two directors of* undoubted independence and standing. Joseph Sebag resigned.

Second half recovery for Berwick Timpo

A SECOND half increase from £477,050 to £680,444 lifted taxable profits of Berwick Timpo, toys and games maker, from £879,859 to £1.05m for 1978. Sales were up from £12.37m to £13.21m.

At halfway the directors reported profits behind at £371,110, (£402,809).

Mr. J. D. Oakley, chairman, now says sales rose by less than *seven per cent because of the* deliberate elimination of unprofitable contracts at Harbutt's. He adds that this company is now trading satisfactorily, and the present level of order intake for the group is 23 per cent above last year's corresponding period.

Earnings are shown as 12.1p per 25p share compared with 9.5p last time, and a final payment of 1.5738p lifts the total dividend for the year to 3.3338p (2.9947p) net.

	1978 £	1977 £
Sales	13,208,683	12,370,609
Profit before tax	1,051,554	879,859
Taxation	384,228	354,266
Net Profit	667,326	525,593
Extraord. debit	—	124,830
Pref. dividend	2,732	2,733
Attributable	664,593	398,030
Ord. dividends	185,199	164,225
Retained	479,394	233,805

Receiver for Crellon subsidiary

THE SHARES of Crellon Holdings were *suspended* on the market on Thursday afternoon as a receiver was appointed at the lossmaking electrical subsidiary, Superlamp Metallic.

The receiver, Mr. Maurice Withall, a partner with accountants Thornton Baker, was appointed by Williams and Glyn's Bank. In Crellon's last balance sheet overdrafts and bank loans amounted to £1.7m of which the *majority* is with Williams and Glyn's.

Pre-tax losses for the six months to *last October* were £109,000, compared with losses *of £918,000 in the previous six* months.

Announcing the improvement in December, *Mr. Geoffrey Rose,* the then chairman, said that it was hoped that the electrical division, Superlamp, would return to profitability in the *second half.*

That hope does not appear to have been fulfilled. In February Mr. Rose sold his entire holding in Crellon to Anthony Gibbs Investment Management. The stake consisted of ½m preference issued *as part of a rescue* package last summer. A fortnight ago the new Board passed the dividend on the preference shares.

Anthony Gibbs *still* believes the holding is a worthwhile investment and that the *electronics side of Crellon has a* good future.

The corporate finance department of Anthony Gibbs has been advising the new Board. This department recommended Thursday's suspension which it expects to be short-lived. A spokesman said that although *the company's financial affairs* were still fluid, a restructuring looked possible.

The shares, which dropped *from* 18p to 12p when *the* preference dividend was passed, were suspended at 13½p having *fallen* 2½p during Thursday morning.

General Investors

NET PRE-TAX revenue of General Investors and Trustees *was lifted from £1.33m to £1.39m* in the year to January 31 1979.

After tax of £564,069 (£476,797) the net surplus comes out at £822,832, compared with £742,653. *Stated earnings per 25p share are* lifted from 4.74p to 5.26p, and net asset value, including the investment premium, goes ahead to 153.9p (155.7p at July 31, 1978).

The final net dividend of 2.8p *raises the total from 4p to 4.5p,* costing £692,118 (£615,217).

The market value of listed and unlisted investments is up from £24.62m to £26.48m.

Results due next week

THE second of the short Easter weeks brings a slight fall in the number of com*panies producing results.* Among the larger companies reporting is Standard Chartered Bank, which is expecting an early ruling from the U.S. authorities on its proposed US acquisition and the large diversified mining house, Rio Tinto Zinc. The cement group, Blue Circle Industries, and Dunlop will report preliminary figures on Thursday, while Burmah Oil releases its preliminary figures on Wednesday.

The majority of RTZ's subsidiaries have already reported disclosing combined profits some £5m ahead at £62½m but even so City forecasts for the group still show a fairly wide variation, with figures ranging from £85m to £90m at the attributable level *compared with £82m. To date* one of the most impressive performances has come from Australian Mining and Smelting where the 12 month profit attributable *is unchanged at £7.4m* after a first half drop into the red. A South African subsidiary, Rossing, will be taken in for the first time and this could be worth as much as £5m. However, the figures next Thursday will depend much upon the treatment of exchange rates, with *some 85* per cent of profits originating overseas.

Dunlop faces two hurdles next week. Its preliminary results are due on Thursday, *the day it* is scheduled to carry out the decision to close the factory at *Speke. Management has* defended the closure on the grounds that productivity *is low* and that its tyre market has shrunk, partly because of a drop in demand but also because of competition from imports, particularly *from Eastern Europe.* Overcapacity, squeezed margins and lower demand are all factors given by City analysts for forecasting a drop in Dunlop's 1978 figures *from £57m to around* £45m. The main interest in Thursday's announcement will lie in the dividend payment. Most expect it will be maintained *at last year's rate but there are* one or two who would not be surprised if the board decided to cut it slightly.

Standard Chartered is changing its year-end from March 31 to December 31 and, as a result, the group will be reporting *figures for the nine months to* December 31, 1978, although some subsidiaries which already have a December year-end will not be affected. This change to a large *extent explains the* variations in estimates by City analysts of the figure to be reported next Wednesday. Most agree that annualised earnings will be *around the* 88p to 91p (last year 78.9p) mark but there is a range from £100m to £120m for the nine-month result. Some analysts have simply reduced the *annualised figure while others* have attempted to work out contributions from subsidiaries that will report 12-month figures and those that will report nine-month results.

City analysts differ substantially on the likely preliminary pre-tax figure from Burmah Oil on Wednesday. The range starts at *around £10m* and runs through to £17m. The main explanation for the variation is the difference in assessment of the impact on Burmah of the recovery in spot charter rates late last year. The North Sea contribution in the fourth *quarter is likely to be* lower than was expected earlier in the year and most anticipate that difficult trading conditions *in the retail market again* affected results from the chain of petrol stations. Interest centres on the question of whether a dividend will be *declared but sentiment suggests* that even a nominal payment is *unlikely at this stage.*

Increased demand plus a price hike in June have encouraged analysts to estimate the increase *in preliminary pre-tax profits at* Blue Circle Industries from £47.9m to around £53m. Overseas contributions may be flat due to the strength of the pound but *associate companies* are likely to be better following the strong recovery in Mexico. Analysts will be combing the official announcement for indications *of the performance of the* Nigerian operations during the second half and the likely trend for 1979. In general they expect 1979 will be a better year than *1978 despite* the poor start.

Other results to note next week include Dunby Combex Marx, the toymakers; Pearson *Longman;* S. Pearson and Son; Sun Life; Charterhouse Group; Ready Mixed *Concrete* and Northern Engineering.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Alva Investment Trust	Wednesday	2.605	3.3	3.1825
Ash and Lacy	Thursday	3.0	3.6343	3.5
Bentalls	*Thursday*	—	1.18024	0.3
Blue Circle Industries	Thursday	2.89	6.4523	3.22
Bramall (C. D.)	Wednesday	—	—	1.78
BSG International	*Friday*	*0.7*	1.4323	0.91646
Burmah Oil Company	Wednesday	Nil	Nil	Nil
Callender (George M.) and Co.	Tuesday	0.605	0.715	0.605
Charterhouse Group	*Thursday*	1.45	2.2405†	—
Clayton, Son and Co. (Hldgs.)	Friday	1.1979	3.2428	1.3376
Clive Discount Holdings	Thursday	2.0	2.7748	2.03
Cosalt	Tuesday	0.825	1.18353	1.0
Currys	Tuesday		4.60839	1.0
Dewhirst (J. J.) Holdings	Wednesday	0.45	0.87	0.5
Dreamland Electrical Appliances	Tuesday	0.4	0.8705	0.45
Dunlop Holdings	Thursday	2.65	2.65	2.65
Findlay (Andrew R.) Group	Friday	0.726	1.17	0.8107
General Scottish Trust	Thursday	1.5	1.85	1.5
Hawker Marris	Thursday	1.79	4.57	1.97
Hay (Norman)	Wednesday	1.0	2.0	1.5
Helene of London	Wednesday	—	0.6707	0.3353
Liberty and Co.	Friday	0.75	2.1375	0.76125
London and Holyrood Trust	Thursday	1.1	2.5	1.25
London and Provincial Trust	Thursday	1.1	2.3	1.25
Modern Engineers of Bristol (Holdings)	Thursday	0.8735	1.722	1.07
Myson Group	Thursday	—	1.0	1.25

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
Northern Engineering Industries	Thursday	2.0	4.0	2.5
Pearson Longman	Wednesday	1.75	4.238	3.0
Pearson (S.) and Son	Wednesday	2.0	4.80927	3.0
Procor (U.K.)	Thursday	—		
Ready Mixed Concrete	Thursday	2.5	3.27	2.79
Reed Executive	Tuesday	1.11111	1.84	1.5
Rio Tinto-Zinc Corporation	Thursday	3.5	6.0	3.5
Scottish Mortgage and Trust Company	Thursday	1.2	2.1	1.4
Senior Engineering Group	Wednesday	0.5835	0.5924	0.6516
Standard Chartered Bank	Wednesday	7.75	11.7764	8.5
Wadkin	Wednesday	1.875	3.985	2.25
Websters (Publications)	Friday	0.536	0.61289	0.59086
INTERIM DIVIDENDS				
Arenson (A.) (Holdings)	Tuesday	0.69179	1.44271	
Casket (S.) (Holdings)	Thursday	0.4	0.675	
Dunbee-Combex-Marx	Tuesday	1.65	4.01923	
Forward Technology				
Lowland Investment Company	Friday	0.9	1.6	
Low (William) and Co.	Thursday	1.65	4.4615	
Martonair International	Wednesday	1.59091	3.89091	
Photo-Me International	Thursday	1.98	4.05	
Sun Life Assurance Society	Wednesday	1.712	1.7639	

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Second interim. Current period is 15 months to December 31, 1978.

Mercantile Inv. rebels hit back

THE LEADER of 109 rebel shareholders of Mercantile Investment Trust has again urged all shareholders to vote *for a Special Resolution at this* month's annual meeting.

Replying to criticisms by the Mercantile board, Mr. Christopher Campbell *argues* that the investment trust discount, the difference between *the break up value of the trust's* assets and the trust's share price, *prevents shareholders from* receiving the full value of their assets.

The special resolution requires Mercantile's directors to submit proposals before next year's AGM, which will obtain for all *shareholders and stockholders a* value equivalent to what they would receive in a winding up. This means Mercantile would have to be taken over, liquidated *or turned into a unit trust.*

Mr. Campbell concedes that *the "moving force" behind the* resolution are two holders of fixed interest stock *which will* benefit from implementation of the resolution. He denies, however, that implementation would not be in the interests of the *ordinary shareholders.*

Mr. Campbell also claims that *the board has to go back to 1950* to show growth in the net asset *value and share price and points* out that between April 6, 1965 and April 6, 1979 the FT All Share Index rose by 167 per cent and the Investment Trust index by 116 per cent. "In the same period Mercantile's share price *rose by only 23 per cent and* nearly all of that gain occurred *after the directors were informed* of the resolution."

Mr. Campbell denies the board's contention that the trust may become a "forced seller" on the grounds that the resolution allows 12 months to reach *a decision.*

"The sheer size of the discount problem dwarfs all the arguments advanced by the board," he adds.

Board changes at Edinburgh & General

Board changes have begun at Edinburgh and General Invest*ments, the insurance and rein*surance brokers whose new chairman is Mr. Graham Ferguson Lacey.

Mr. Ferguson Lacey's company, *Birmingham and Midland* Counties Trust recently acquired a holding of 16 per cent or so in E and G, and announced its intention of buying further *stakes up to a limit of 29 per* cent.

On Thursday Rama Investors announced that it had sold a stake amounting to 8.4 per cent *of the equity* and now holds only 2.8 per cent.

At the same time Mr. D. P. Douetil has been appointed chief executive and Mr. G. J. Ward deputy chairman. Mr. R. D. Lapham Jnr. has resigned *as a director.*

Full order book for J. Hewitt

The current year at J. Hewitt *and Son (Fenton)* has started with a full order book. Despite the severe winter, *which caused* some production difficulties in January and February for the refractory products and heating and cooking appliance maker, the prospects are good says Mr. J. K. Hewitt, the chairman.

Taxable profit for 1978 was up at £311,098 (£213,913) on sales of *£2.79m (£2.29m)* and, as reported March 26, the dividend is lifted *to 1.2776p (1.032p).*

On a current cost basis along the Hyde Guidelines *profit is* cut to £221,000 (£97,000) by £54,000 (£73,000) additional depreciation, £29,000 (£39,000), extra cost of sales and £7,000 (£5,000) *gearing* adjustment.

At year end an increase in *the book value of fixed assets from £0.64m to £1.37m* arose mainly from a professional revaluation of land and buildings at December 31.

The directors propose an increase in their fees from the 1956 *level of £250 to £1,000* a year.

Meeting, *Stoke-on-Trent,* on May 3 at noon.

Jones Grp. declines to £1.11m

Jones Group finished 1978 *with* taxable profits down at £1.11m, against £1.39m.

At midway the surplus had fallen from £646,000 to £445,000. The directors then said they were hopeful of an upturn in the second six months in which case the dividend would be main*tained.*

In the event the final dividend *is 3.25p (2.93p)* net per 10p share, lifting the total payout *from 3.58p to 3.9p.*

Turnover is ahead from *£13.43m to £14.3m.* After tax of £126,000 (£147,000) stated earnings per share are *down* from 11.49p to 9.14p. SSAP 15 has been applied and the 1977 figures adjusted.

Group activities include general mechanical services, contracting and manufacture of radiators.

Wm. Sindall shows record £421,000

After depreciation of £221,487, against £187,818, William Sindall, building and civil engineering contractor, pushed up pre-tax profit from £371,424 to a record £421,258 in 1978. Turnover improved by £1.33m to £19.7m.

Earnings per 25p share are stated at 19.728p, against 17.219p from which is paid an increased dividend of 4.4722p (4.0656p). Waivers amounted to £20,806.

Tax of £223,977 (£189,237) left the net surplus at £197,281 (£172,187). Last time there was a special provision of £55,145 against possible contractual liability.

APPOINTMENTS

Hunt to become managing director of Land Securities

Mr. P. J. Hunt is to become managing director of the LAND SECURITIES TRUST on May 1. Lord Samuel of Wych Cross is relinquishing the managing directorship on that date but will remain executive chairman. At the same time Mr. John M. Moar is to join the Board. Mr. Moar has been a director of the group's subsidiary, the City of London Real Property Company since 1973, having joined the company 20 years ago.

★

Mr. T. F. Wilkinson has been appointed joint managing director of ERNEST A. NOTCUTT AND CO. and also joins the Board of Ernest A. Notcutt (Overseas). Eastern Produce (Holdings) is the parent company.

★

Mr. L. Elkington has become managing director of PEGLERS, a subsidiary of Pegler-Hattersley.

★

Air Vice-Marshal L. W. G. Gill has been appointed to the Board of MERTON ASSOCIATES (CONSULTANTS). He was previously manpower planning advisor to the P & O Steam Navigation Company.

★

Mr. Philip Shipman has been appointed managing director of HENRY STEWART CONFERENCE STUDIES, a member of the London and City Trust Group.

★

Mr. A. L. Henderson has been appointed president of the WORSTED SPINNERS' FEDERATION to succeed Mr. A. H. B. Turner. Mr. Henderson is a director of Patons and Baldwins. Mr. P. H. Oates and Mr. D. P. Wilson have been respectively appointed senior and junior vice-president of the Federation.

★

Mr. Clive Robertson has been appointed marketing director responsible for the installation and distribution equipment product department of SIMPLEX-GE.

★

Barbara Marlow has become the first woman chairman of the BRITISH WHOLESALE JEWELLERS' ASSOCIATION and the first woman chairman of any association forming part of the British Jewellery and Giftware Federation. She is joint managing director of Emrich.

★

Mr. P. A. Butler, sales director of TRIPLEX FOUNDRIES GROUP, is to be managing director of its insulating glass manufacturers, THERMOVITRINE in succession to Mr. J. A. Farrell, who is retiring but will remain on the Thermovitrine Board as consultant director.

★

The DEPARTMENT OF THE ENVIRONMENT has appointed two assessors to assist Mr. Michael Mann, QC, at the public inquiry into the National Coal Board's applications to mine coal in the Vale of Belvoir. Dr. R. K. Taylor has been made mining assessor, because of his experience in the problems of waste disposal and the associated environmental problems. Mr. S. W. Midwinter will act as an assessor on environmental and planning issues, replacing Mr. C. F. Allan, previously appointed, who has had to withdraw for personal reasons.

★

Mr. P. R. Macklin and Miss Penelope Freer are to become partners in FRESHFIELDS on May 1.

★

Mr. J. A. Davidson is to join the Board of BOC INTERNATIONAL and will continue as managing director of Commonwealth Industrial Gases of Australia, a subsidiary.

★

Dr. L. R. Evans has been appointed technical director of STERLING COATED MATERIALS.

★

Mr. J. G. Brown has been appointed finance director of BERNARD MATTHEWS in succession to Mr. S. A. Briggs, who has retired.

★

Mr. I. Lloyd Jones has been appointed director of marketing of ALLIED CHEMICAL (NORTH SEA) and is based in London.

★

The MINISTRY OF DEFENCE has appointed Brigadier J. P. B. C. Watts to be Commander Sultan of Oman's Land Forces in the rank of Major-General, in succession to Major-General The O'Morchoe.

★

Mr. G. I. Howell has been appointed a director of DAILY MAIL AND GENERAL TRUST.

★

Mr. P. Ingram has been appointed at the MINISTRY OF AGRICULTURE as senior agricultural officer, Agricultural Development and Advisory Service. He succeeds Mr. J. J. North, who is now chief agricultural officer.

★

Rear Admiral Wilfred Graham has been appointed director of the ROYAL NATIONAL LIFEBOAT INSTITUTION in place of the late Captain Nigel Dixon. Admiral Graham, who recently retired from the Royal Navy after 35 years of service, will take up his new position on May 1.

★

Mr. N. E. Godfrey, an Under Secretary, previously on secondment to the Price Commission, has returned to CUSTOMS AND EXCISE and replaced Mr. D. L. Bryars as director, general customs. Mr. Bryars has been appointed director, personnel, Customs and Excise.

★

Mr. John Corner has been appointed finance director, Mr. Alan Glover, marketing and development director, and Mr. Harold Gilmour, consultancy director, of GRAND METROPOLITAN SYSTEMS.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Following recent overtures made to the company and clearance by the Monopolies Commission, Rockwell of the U.S. has made a definite offer for motor component manufacturers Wilmot-Breeden. Rockwell, which built up a 29.98 per cent holding in Wilmot by buying in the market, is offering 115p cash per share for the remaining equity. Wilmot has stated that the terms are inadequate and that it is looking for 135p per share. Rockwell says that its offer is final and will not be increased.

The protracted battle for control of Caledonian Holdings has come to an end following the sale by London and Midland Industrials of its holding of 2.95m shares to rival suitors Comet Radiovision Services for 174½p per share. Comet now controls 72.6 per cent of Caledonian.

Mr. Thomas Hampson Silk has increased his holding in Wolverhampton Steam Laundry to 44.2 per cent by purchasing the shares held by the chairman and family at 12p each. Under City takeover rules, Mr. Silk will now offer the same amount to existing shareholders.

United Biscuits, the giant convenience food combine, has agreed to purchase Specialty Brands, a private U.S. concern involved in the manufacture of spices and salad dressing for $60m.

Laporte Industries is to buy, for £9.7m, privately owned Ward Blenkinsop which specialises in fine organic chemicals used in the production of pharmaceuticals.

Mr. J. P. Lobbenberg's beneficial interest in Electronic Machine has been increased to 19.4 per cent by the acquisition of a further 100,000 shares.

Following last year's unsuccessful bid to gain control of Dawson International, William Baird has sold the 22.5 per cent stake acquired at the time to institutions for £13.8m.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Caledun. Hldgs.‖‖	177§§	171	169	13.2	Comet Radiovision	—
Common Bros.	200*§	235	220	3.99	Br. & Comwlth. Shipping	—
English Prop.‖‖	60*	60	54	57.3	Olympia & York Dev.	23/4
Glass & Metal	155§§	143	130	6.12	HAT	25/4
Jhnsn. Richards Tiles‖‖	166§§	163	109	36.2	Norcros	—
Lindsay & Wms.	126*§	120	107	0.99	RFD	—
Scot. & Univ. Invs.	195§§	196	204	42.9	Lonhro	—
Smith Wallis	175½§§	178	148	1.76	R. Cartwright	—
White Child & Beney‖‖	200*§	200	108	4.88	A. Guinness	—
Wilmot Breeden	115*§	115	107	16.7	Rockwell	—
Wolverhampton Steam Laundry	12*§	23	16½	0.09	Mr. T. H. Silk	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. ‖ Date on which scheme is expected to become operative. ** Based on 12/4/79. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ‖‖ Unconditional.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Aberthaw Cement	Dec.	1,250	(1,860)	26.6	(23.4)	7.55	(6.76)
Aquascutum	Jan.	2,110	(2,070)	4.8	(5.1)	1.7	(1.54)
Assoc. Biscuit	Dec.	9,001	(9,195)	10.8	(15.4)	3.53	(3.19)
Astbry. & Madeley	Dec.	1,010	(776)	14.6	(10.1)	2.0	(1.17)
Aurora Hldgs.	Dec.	4,310	(2,510)	16.9	(22.1)	5.9	(5.28)
Babcock & Wilcox	Dec.	39,555	(32,275)	25.3	(22.5)	5.86	(5.25)
Black (A. & C.)	Dec.	340	(314)	18.6	(16.3)	5.39	(4.9)
Blackwood Hodge	Dec.	18,172	(16,629)	10.9	(10.2)	2.26	(1.94)
Boosey & Hawkes	Dec.	1,159	(1,961)	17.2	(24.6)	5.67	(5.13)
Britannia Arrow	Dec.	519	(3,720)L	0.2	(—)	—	(—)
Christies Intl.	Dec.	5,629	(4,171)	14.3	(10.5)	4.5	(3.31)
Clark Nickolls	Dec.	1,160	(516)	14.9	(4.8)	2.19	(1.96)
Clifford (Charles)	Dec.	471L	(27)	—	(3.3)	—	(—)
Collett Dickinson	Dec.	1,500	(1,390)	17.0	(13.8)	3.65	(3.27)
Cmbnd. Eng. Strs.	Jan.	6,290	(4,340)	20.1	(12.4)	3.62	(3.24)
Croda Intl.	Dec.	15,120	(13,040)	10.8	(8.9)	2.43	(2.19)
Dares Estates	Dec.	290	(48)	3.8	(1.3)	0.75	(0.5)
DRG	Dec.	23,830	(21,870)	13.9	(12.7)	7.82	(7.0)
Dorada Hldgs.	Dec.	1,610	(1,160)	30.2	(24.4)	5.03	(4.58)
Eagle Star	Dec.	50,900	(43,500)	—	(—)	10.21‡	(9.28)‡
Empire Stores	Jan.	8,109	(6,887)	14.0	(12.7)	5.39	(4.86)
Fothergill & Hrvy.	Dec.	1,640	(1,050)	17.8	(11.6)	6.94	(6.21)
Gill & Duffus	Dec.	22,700	(20,400)	16.7	(16.3)	4.86	(4.35)
Glynwed	Dec.	16,080	(13,027)	17.8	(13.9)	9.15	(8.2)
GEC	Dec.	83,300	(58,800)	32.9	(22.7)	17.31‡	(15.4)‡
Greenbank Indl.	Dec.	2,280	(2,160)	7.5	(7.0)	1.33	(1.2)
Hambro Life	Dec.	8,300†	(6,300)†	—	(—)	23.8	(20.22)
Hawker Siddeley	Dec.	118,000	(103,700)	36.6	(26.1)	4.56	(4.12)
Hewden-Stuart	Jan.	6,664	(4,591)	11.9	(8.3)	1.22	(1.07)
Higgs & Hill	Dec.	2,090	(3,130)	24.8	(20.1)	3.86	(3.45)
Holt (Joseph)	Dec.	803	(756)	14.3	(13.4)	2.43	(2.17)
Huntleigh Group	Dec.	950	(721)	5.6	(4.9)	0.76	(0.67)
L. & P. Poster	Dec.	3,040	(2,070)	47.6	(29.9)	12.0	(9.79)
Lead Inds.	Dec.	14,820	(19,720)	18.3	(28.8)	8.23	(7.37)
LEC Refrigeratn.	Dec.	1,580	(1,640)	12.8	(12.9)	2.9	(2.59)
Manor National	Dec.	1,110	(600)	4.8	(—)	0.67	(—)
Martin (Albert)	Dec.	1,254	(1,685)	17.6	(23.4)	4.13	(3.7)
Matthews Wrtsn.	Dec.	10,930	(8,230)	30.4	(19.7)	11.06	(9.19)
Mettoy	Dec.	3,640	(2,770)	17.6	(14.4)	2.6	(2.12)
Minet Hldgs.	Dec.	15,279	(15,201)	16.1	(16.0)	3.72	(3.35)
Morris & Blakey	Dec.	440	(311)	7.2	(9.8)	4.58	(4.11)
Nathan (B. & I.)	Dec.	483	(364)	22.9	(12.7)	3.63	(3.3)
Owen Owen	Dec.	582†	(434)†	—	(—)	9.12	(8.17)
Portals	Jan.	2,950	(2,420)	13.5	(10.6)	3.19	(2.89)
Provident Life	Dec.	9,566	(8,676)	25.2	(24.2)	8.79	(7.88)
Richards (Leic.)	Dec.	525	(661)	13.4	(17.0)	4.25	(3.85)
Rwntree. Mckntsh.	Dec.	45,070	(41,493)	70.3	(68.5)	13.0	(8.17)
Ruberoid	Dec.	61,100	(850)	5.8	(4.5)	2.48	(2.26)
Sanderson Kayser	Dec.	888	(1,090)	6.8	(8.8)	4.38	(4.38)
Smith (W.H.) Son	Feb.	20,190	(20,172)	21.1	(14.1)	3.13	(2.34)
Sparrow (G. W.)	Dec.	1,570	(1,480)	23.6	(22.5)	2.4	(2.15)
Wilmot Breeden	Dec.	4,230	(5,640)	8.9	(13.6)	3.44	(3.08)
Yorks. Spinners	Dec.	116	(17)	4.8	(0.2)	2.0	(1.82)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Adwest	Dec.	2,260	(1,960)	3.85	(3.5)
Bellway Hldgs.	Jan.	1,700	(1,000)	—	(—)
Boulton (Wm.)	Dec.	756	(576)	0.5	(0.44)
Bryant Hldgs.	Nov.	2,680	(1,170)	1.05	(0.95)
Burton Group	Feb.	6,235	(4,670)	3.0	(0.6)
Ferry Pickering	Dec.	607	(421)	1.37	(1.25)
Glaxo Hldgs.	Dec.	36,500	(40,300)	5.0	(4.5)
Highland Distills.	Feb.	1,920	(1,710)	0.55	(0.5)
Kalamazoo	Feb.	2,090	(1,270)	1.11	(0.92)
Kent (M. P.)	Dec.	737	(387)	0.73	(0.66)
Smiths Indusrs.	Feb.	10,980	(7,570)	3.61	(3.29)
Talbex	Jan.	49L	(245)	—	(—)

(Figures in parentheses are for corresponding period.) Dividends shown net except where otherwise stated. * Adjusted for any intervening scrip issue. † Net profit. L Loss. ‡ Gross.

Offers for sale, placings and introductions

Gibbs Mtw: Placing of 8.5 per cent of equity.

Scrip Issues

Combined English Stores: One for one.
Dorada Holdings: One for 10.
Greenbank Industrial: One for four.
Hewden-Stuart: Two for five.
Rowntree Mackintosh: One for one.

Guinness Overseas executive changes

Mr. C. W. Freyer will become managing director of GUINNESS OVERSEAS from October 1. He succeeds Mr. C. A. Wood who is to be executive vice-chairman of Guinness Overseas from that date until his retirement in June 1980. At the beginning of October, Mr. B. McElroy will replace Mr. Freyer as managing director of Guinness Retail Holdings.

★

Mr. R. G. A. Pearce has been appointed first president of THE BRITISH METAL FINISHING SUPPLIERS' ASSOCIATION. He takes over from Mr. J. N. T. Adcock, who has been chairman since the foundation of the Association in 1969. Mr. Pearce is the chairman and managing director of M and T Chemicals and executive director of the M and T plating operations in Europe.

★

Mr. Walter Nurse, formerly sales director of FRED PERRY SPORTSWEAR, has been appointed managing director.

★

The BURTON GROUP has appointed the following senior executives as alternate directors: Mr. Laurence Cooklin, assistant managing director (merchandise) and Mr. Paul Plant assistant managing director (retail operations) in Burton Retail, Top Shop and Top Man; Mr. Gerald Slater, group company secretary and group personnel director; and Mr. Robert Woodman, group systems and distribution director.

★

BEATSON CLARK AND CO. has appointed three new departmental directors from May 1. They are Mr. Peter Moran, assistant to the managing director; Mr. Bernard Smith, personnel manager, and Mr. Michael Godber, company accountant.

★

Mr. A. G. Hutchinson, chairman of HUTCHISON WHAMPOA is to stand down as chairman of the company following his retirement from executive responsibilities in the Hong Kong and Whampoa Dock Company last September. He will remain on the Board as a non-executive director. It is proposed that Mr. W. R. A. Wyllie be elected as chairman at a meeting of the Board to be held immediately after the ordinary yearly meeting on June 1.

★

BRITISH PRINTING CORPORATION has made the following appointments within subsidiary companies: At the Sidney Press, Mr. John Davidge, managing director, Mr. Alec Nairn, financial director, Peter Hawkesworth, sales director and Mr. Robert Ratcliff, works director. E. Hannibal and Co., Mr. Robert Gregory, works director. Fell and Briant, Mr. John Simpson, technical director.

★

Mr. Freddie Fox has become chairman of PASTA FOODS in addition to his position as managing director. Mr. R. Paul Sugden is now deputy managing director. Mr. John Toynbee has been made marketing manager following his return from the Cerebos organisation in Singapore, and Mr. Jeffrey Robson moves from RHM Foods, Greatham, to become project manager. The changes follow the appointment of Mr. J. Malcolm Semple as head of the U.S. operations of the parent concern, Ranks Hovis McDougall.

★

Ocean Transport and Trading has reorganised its Ocean Cory Division, which embraces the group's land-based activities, and the division is now grouped into six multi-business units. Within the new structure the Cory Solid Fuel businesses, including Cory Link, together with the associates John Kelly of Belfast, and Associated Heat Services, become part of Ocean Cory Trading under Mr. R. J. Gooseman. Mr. A. Palmer and Mr. B. J. Ballantine have been appointed managing directors of the Bandag Tyre Company and Freight Services, respectively, in the trading section. Cory Distribution, Archbolds Storage, Cory Oil Distribution and Fuel Supplies (C.I.) form the enlarged distribution side controlled by Mr. H. J. Smeeton. Mr. P. J. Sullivan becomes managing director of Cory Distribution. Mr. H. Pointon is in charge of forwarding which comprises McGregor Cory Cargo Services and Transflash McGregor. Mr. Pointon's successor as managing director of Transflash McGregor is Mr. K. Seabrook. Cory Ship Towage, which was a member of the Ocean's Marine Division, has been transferred to Ocean Cory and becomes part of a new towage and agencies function under Mr. R. A. Napier. Mr. H. J. Bowers continues to be responsible for the river unit and Mr. R. Stevens for air freight.

★

Mr. R. Howe has been appointed to the Board of HOGG ROBINSON (UK).

★

Mr. W. M. Peacock has been elected chairman of NURDIN AND PEACOCK in place of Mr. J. A. Peacock, who has retired as chairman and from the Board and becomes first president.

CORAL INDEX: Close 545-550

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel.: 01-283 1101.
Index Guide as at April 3, 1979 (Base 100 on 14.1.77)

Clive Fixed Interest Capital	156.31
Clive Fixed Interest Income	128.29

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.
45 Cornhill, London, EC3V 3PB. Tel.: 01-623 6314.
Index Guide as at April 12, 1979

Capital Fixed Interest Portfolio	115.10
Income Fixed Interest Portfolio	104.90

INSURANCE BASE RATES

† Property Growth	11¼%
† Vanbrugh Guaranteed	10%

† Address shown under Insurance and Property Bond Table.

EUROPEAN OPTIONS EXCHANGE

Series		April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
ABN C	F.364.20	5	2	—	—	—	—	F.364.50
AKZ C	F.25	—	—	5	5.50	—	—	F.29.90
AKZ C	F.30	95	0.40	26	2	32	2.50	"
EK C	$50	1	3⅞	—	—	—	—	$53⅝
EK C	$70	—	—	15	1½	—	—	"
HO C	F.32.50	5	0.30	—	—	16	2.90	F.32.90
IBM C	$280	4	32¾	2	38¾	—	—	$311⅛
IBM C	$300	15	15¼	8	23	—	—	"
IBM C	$320	31	1	57	11⅝	9	18¾	"
KLM C	F.100	40	7.50	—	—	1	11.80	F.107.50
KLM C	F.110	15	0.60	31	5	31	7	"
KLM C	F.120	15	0.10	2	2.60	20	5.60	"
KLM C	F.130	—	—	40	1.10	—	—	"
KLM C	F.140	5	0.10	—	—	—	—	"
KLM C	F.150	12	0.10	—	—	—	—	"
KLM P	F.110	—	—	11	3.80	—	—	"
NN C	F.100	—	—	—	—	1	15	F.110.30
NN C	F.110	—	—	—	—	15	5	"
PHI C	F.22.50	5	2.70	25	5	70	3.20	F.25.20
PHI C	F.25	169	0.50	67	1	107	1.60	"
PHI C	F.27.50	—	—	—	—	20	0.50	"
PHI P	F.25	—	—	4	0.90	50	1	"
PRD C	$40	14	⅛	5	2½	—	—	$38½
PRD C	$45	—	—	5	1¼	—	—	"
RD C	F.125	10	11	—	—	—	—	F.136.60
RD C	F.130	2	5.40	—	—	—	—	"
RD C	F.135	—	—	—	—	10	3.50	"
RD C	F.140	2	0.20	6	1.40	5	2.50	"
RD P	F.135	—	—	30	3.50	12	6	"
RD P	F.140	—	—	9	7	35	8.50	"
S C	$20	4	⅛	—	—	—	—	$20⅛
UNI C	F.130	2	0.20	—	—	—	—	F.127.70
		May		Aug.		Nov.		
BA C	$70	1	⅜	—	—	—	—	$64⅞

TOTAL VOLUME IN CONTRACTS 1935

C=Call P=Put

THE LAW LAND COMPANY, LIMITED

GROUP'S BUSINESS—Investment in and development of real property in the United Kingdom and Belgium and property trading in Australia.

	1978 £	1977 £
TURNOVER		
Investment	5,161,802	4,800,641
Trading	4,764,346	4,173,455
PROFIT after taxation, minority interests, exceptional items and transfer from capital reserve of £100,000 (1977 £240,000) relating to development properties	310,456	539,164
EARNINGS per 20p Ordinary Share	0.85p	1.50p
ORDINARY DIVIDEND per share for the year	1.10p	1.00p
COST OF ORDINARY DIVIDENDS payable on 35,259,643 ordinary 20p shares (1977 on 35,258,833)	£ 387,856	£ 352,588
UNDISTRIBUTED PROFITS carried forward	847,160	848,184
PROPERTIES		
Investment	50,647,058	49,487,852
Trading	6,300,488	9,741,143

The directors estimate that a valuation on an open market basis of investment properties would show a net surplus in excess of £5 million over the book value.

Trading properties are stated at aggregate cost, which is lower than the directors' estimate of aggregate valuation.

REGISTERED OFFICE

Brettenham House, Lancaster Place, London WC2E 7EP

T. F. & J. H. BRAIME (HOLDINGS) LIMITED

(Seamless Drawn Presswork, Oilcans and Elevator Buckets)

The Twenty-ninth Annual General Meeting of T. F. & J. H. Braime (Holdings) Ltd. was held in Leeds on 12th April. The Chairman, Mr. James L. Braime, presided and the following is his statement:—

I am pleased to report that in spite of the difficulties experienced in the early part of the year we achieved a Group turnover of £2,789,487 (£2,652,040). The Group Trading profit is £294,781 (£305,338) to which must be added investment income of £24,076 (£15,456). There was also an exceptional credit of £39,080 arising from the sale of plant.

The intake of new orders is being maintained at a reasonable level and our major customers' delivery schedules compare favourably with 1978. Nevertheless the outlook is so uncertain as to make it virtually impossible to forecast the future with any degree of accuracy.

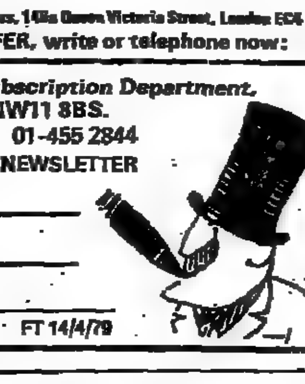
New plant has been installed during the year and is now in operation. The Board will pursue its policy of investing heavily in new plant which in my opinion is vital if we are to remain competitive in the 1980s.

I wish to pay tribute to Mr. Ronald Braime who retired as Chairman after last year's AGM for the exceptional services he rendered to your Company over a period of 53 years.

The report would be incomplete without some reference to the staff and employees. I wish to thank them for their industry and loyalty throughout the year; without their full support and co-operation this result would not have been possible.

A final dividend on the Ordinary and 'A' Ordinary Shares of 2.715p per share making 3.715p per share for the year was approved (1977 — 3.3275p per share).

Mr. J. L. Braime and Mr. A. D. Inglis, the Directors retiring by rotation, were re-elected.



Basis for future growth established.

The year at a glance	1978 £'000	1977 £'000
SALES		
Home	15 185	13 478
Export	5 484	4 311
	20 669	17 789
Profit before tax	2 381	2 357
Taxation	(320)	753
Profit after tax	2 701	1 604
Dividends		
Additional final dividend for previous year	2	2
Interim dividend already paid	106	85
Proposed final dividend	191	134
Retained Profits	2 402	1 383
Earnings per share	63.6p	37.8p

Note:
The calculation of earnings per share is based on earnings of £2 701 000 (£1 604 000) and 4 248 320 (4 248 320) Ordinary shares in issue throughout the year.

Extracts from the Statement by the Chairman, Dr. A. W. Clark.

Production and Sales

Once again we have achieved a record export performance, and our export sales are now some 26% of our total sales compared with an average of only 5.4% of total sales for the whole UK glass container industry.

On the production side the major redevelopment at Rotherham was successfully completed during the autumn. This new furnace is capable of producing 40% more glass each day than the combined output of the two furnaces which it replaced and at barely half the melting cost per tonne.

Rights Issue

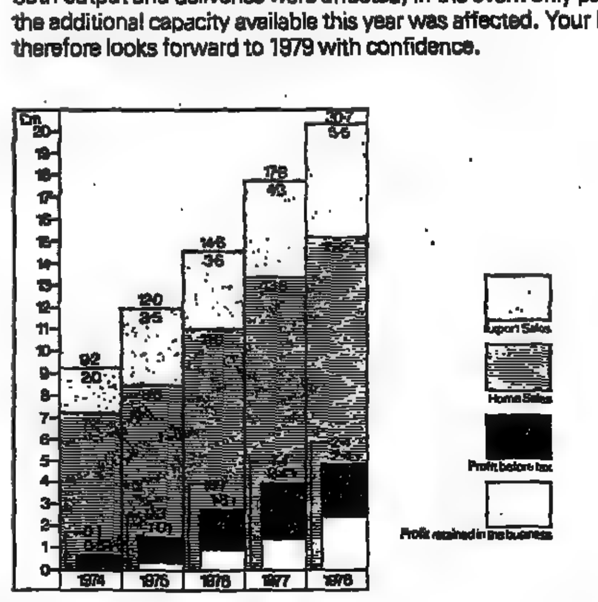
The Extraordinary General Meeting of your Company held on 12th April approved the resolution increasing the share capital of the Company and accordingly the proposed issue to raise approximately £2,600,000 by way of rights to the ordinary shareholders will go ahead.

Dividends

For the year to 30th December, 1978, we have obtained H. M. Treasury consent to an increase in our dividend of some 34.5% and I am therefore delighted to recommend the payment of a final dividend of 4.5p per ordinary share, making the total distribution for the year 7.0p, compared with that of the previous year of 5.204p. Furthermore, in the absence of unforeseen circumstances your Directors intend to recommend total dividends in respect of the year to 29th December, 1979, of 8.4p per ordinary share, which represents an increase of 20.0% over the total dividends paid or recommended in respect of the year to 30th December, 1978.

Outlook for 1979

During the first two months of 1979 every effort was made to overcome the difficulties which were caused by the road haulage dispute and the unusually severe weather conditions. Although both output and deliveries were affected, in the event only part of the additional capacity available this year was affected. Your Board therefore looks forward to 1979 with confidence.



New Chairman

As I indicated at the time of our interim results I intend to retire from the Chairmanship at the close of our Annual General Meeting and I shall hand over the Chairmanship to my elder son David, who will continue to guide the company as Managing Director as he has done so successfully for the past eight years. During that time, not only has our turnover trebled but more importantly so has our profit before tax and under his leadership the standing of the Company has never been higher.

BEATSON CLARK

To: The Secretary, Beatson, Clark & Company Limited,
23 Moorgate Road, Rotherham, Yorkshire, S60 2AA.
Please send me a copy of the 1978 Report & Accounts.
Name
Company
Address

WORLD STOCK MARKETS

Wall St. drifts lower

INVESTMENT DOLLAR PREMIUM

$2.60 to £1—53¾ (54¾%)
Effective 2.0810 23% (24¼%)

PRICES DRIFTED lower in the *slowest trading in three weeks* on Wall Street on Thursday, as takeover news, or speculation, provided most of the interest. There was little selling pressure. With the market closed Good Friday, many traders decided to take profits to be more liquid over the long weekend.

The Dow Jones Industrial Average shed 1.21 to 870.50, making a loss of 5.19 over the holiday shortened week, while the NYSE All Common Index, at $57.53, dipped 12 cents on the day and 51 cents on the week. Losses led gains by 779 to 609, while the trading volume sharply decreased 6.14m shares to 26.91m.

Investors remained concerned about the possibility of more credit tightening by the Federal Reserve because of accelerating inflation.

Analysts said that investors would likely remain cautious until the results of Tuesday's Federal Open Market Committee meeting became apparent.

Ford Motor advanced $1 to $44¾ on a raised quarterly dividend. Teledyne improved $¾ to $126¾ on sharply higher first quarter profits.

Woolworth topped the active list on a turnover of nearly 1m shares but ended unchanged at $30.

Cyprus Mines jumped $9⅜ to $36⅞ — it agreed to a takeover by Standard Oil (Indiana) at $42 a *share* in stock. Indiana standard lost $1 to $61⅝.

THE AMERICAN SE Market Value Index eased 0.10 to 180.32, making a loss of 1.42 on the week.

CANADA—Higher in active trading, after a weak opening, with the Toronto Composite Index up 3.5 to 1,467.8.

The Gold Share Index recovered 22.0 to 1,489.2 and Metals and Minerals rose 7.5 to 1,271.8. But Oil and Gas shed 0.2 to 2,173. Banks 1.93 to 311.39 and Papers 0.12 to 153.56.

Inco put on $¾ to $23¾ on raised nickel prices and a uranium find.

TOKYO — Higher in active trading. Volume 410m (480m) shares.

Foods, Textiles, Chemicals, Pharmaceuticals, Heavy Electricals and Real Estate posted gains.

Oils and Coals lower on profit-taking.

GERMANY—Generally firmer on light buying in very thin pre-Easter trading.

Banks stronger.

In Domestic Bond Market, Public Authority issues gained up to 15 pfennigs despite DM 4.8m worth of Bundesbank sales. Mark Foreign Loans steady to firmer.

SWITZERLAND—Mixed with speculative interest concentrating on heavily traded secondary special situation stocks.

In steady Banks Hypo Solothurn rose by almost 10 per cent.

Insurances also steady.

AMSTERDAM—Prices fell in line with overnight Wall Street levels, with Shippings leading losses.

BRUSSELS—Mixed in quiet trading.

In Foreign stocks, UK, Dutch and U.S., lower, Germans and French mixed. Gold Mines fell sharply.

MILAN—Moderately higher in thin trading.

PARIS—Mixed in active trading.

Banks and Mechanical Engineerings firmer but Metals, Foods and Motors were easier. Other sectors mixed.

Compagnie Generale d'Electricite firmed FFr 11 to FFr 399, despite sharply reduced 1978 profits. Au Printemps S.A. firmed FFr 3 to FFr 127 on 1978 profit FFr 74.23m (FFr 56.79m loss) in 1977.

JOHANNESBURG — Golds continued easier in idle trading.

Mining Financials mostly unchanged to easier.

Other Metals and Minerals dipped in sympathy with Golds and Free Market prices.

Industrials quietly lower in small turnover.

AUSTRALIA — Increasing uncertainty over direction of interest rates put a damper on *trading ahead of Easter holiday,* but some stocks rose.

Oils rose strongly.

Gold stocks fell. Central Norseman lost SA1 to SA19.

Uraniums mostly easier.

Coal issues firm: Banks also mostly firmer.

Hong Kong — Prices firmed slightly in very quiet trading. decline.

THURSDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Woolworth	941,100	29⅞	−⅛
Fleetwood	294,000	10½	+½
Cyprus Min.	279,800	36⅞	+9⅜
Norton Simon	276,300	15⅝	—
Texas Intl.	262,500	15	+⅛
Bally Mfg.	259,300	73½	+1⅝
Gen. Pur. Ut.	253,500	13⅞	+⅛
Amer. Home Prod.	227,400	26¾	−⅛
Amer. Tel. & Tel.	215,700	61⅝	+⅛
Texaco	213,300	26¾	—

Indices

NEW YORK—DOW JONES

	Apr. 12	Apr. 11	April 10	Apr. 9	Apr. 6	Apr. 5	1979 High	1979 Low	Since Compil'tn High	Since Compil'tn Low
● Industr'ls	870.50	871.71	876.72	875.70	876.66	877.60	878.72 (10/4)	807.00 (27/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds	84.55	84.55	84.48	84.54	84.66	84.65	[illegible] (2/2)	84.05 (15/1)	—	—
Transport.	255.35	255.69	255.25	254.22	254.08	252.62	255.25 (10/4)	205.78 (27/2)	279.88 (7/2/69)	12.23 (8/7/32)
Utilities	105.72	105.86	104.28	104.47	104.34	104.87	104.24 (6/4)	98.10 (2/1)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol 000's	26,810	33,030	31,890	27,250	34,710	34,320	—	—	—	..

● Day's high 875.78 low 865.21

	Apr. 6	Mar. 30	Mar. 23	Year ago (approx)
Ind. div. yield %	5.65	5.74	5.75	6.06

STANDARD AND POORS

	Apr. 12	Apr. 11	April 10	Apr. 9	Apr. 6	Apr. 5	1979 High	1979 Low	Since Cmpil't'n High	Since Cmpil't'n Low
‡Indust'ls	115.72	114.10	115.54	114.85	115.24	115.58	116.89 (8/1)	107.08 (27/2)	134.64 (11/1/73)	3.52 (30/6/32)
§Composite	102.0	102.31	103.54	102.87	103.16	103.26	103.54 (10/4)	96.13 (27/2)	125.85 (11/1/6)	4.40 (1/6/32)

	April 11	April 4	Mar. 28	Year ago (approx).
Ind. div. yield %	5.08	4.97	4.99	5.39
Ind. P/E Ratio	8.67	8.70	8.66	8.46
Long Gov. Bond Yield	9.06	8.99	8.98	8.32

N.Y.S.E. ALL COMMON

April 12	Apr. 11	Apr. 10	Apr. 9	1979 High	1979 Low
57.53	57.67	58.16	57.86	58.16 (10/4)	53.88 (27/2)

Rises and Falls

	Apr. 12	April 11	April 10
Issues Traded	1,881	1,877	1,892
Rises	609	451	872
Falls	779	989	544
Unchanged	493	437	476
New Highs	—	51	73
New Lows	—	13	14

MONTREAL	April 12	Apr. 11	Apr. 10	Apr. 9	1979 High	1979 Low
Industrial	248.11	248.19	248.02	247.01	250.91 (27/3)	219.19 (2/1)
Combined	249.34	249.63	250.76	249.44	250.98 (6/4)	225.80 (2/1)
TORONTO Composite	1467.8	1464.3	1471.0	1467.1	1475.1 (6/4)	1316.2 (2/1)
JOHANNESBURG Gold	256.3	245.2	247.0	248.5	290.7 (7/2)	233.3 (12/4)
Industrial	313.7	317.9	318.5	320.8	325.0 (5/4)	270.5 (2/1)

	Apr. 12	Previous	1979 High	1979 Low
Australia (¶)	584.45	585.45	597.66 (19/3)	545.72 (2/1)
Belgium (‖)	105.99	105.90	106.68 (9/4)	98.90 (5/1)
Denmark (**)	(c)	95.10	96.31 (2/4)	88.32 (6/1)
France (††)	79.0	79.1	80.1 (9/4)	71.6 (16/2)
Germany (‡‡)	779.30	780.2	839.6 (16/1)	774.2 (26/3)
Holland (§§)	77.8	78.4	85.9 (24/1)	75.2 (21/3)
Hong Kong (¶¶)	528.66	529.07	563.90 (5/2)	493.33 (2/1)
Italy (‖‖)	72.67	71.72	78.46 (26/3)	66.38 (2/1)
Japan (a)	445.56	442.00	462.97 (31/1)	435.22 (10/4)
Singapore (b)	387.52	387.66	387.66 (11/4)	346.34 (23/2)

	Apr. 12	Previous	1979 High	1979 Low
Spain (d)	(c)	105.73	111.98 (8/3)	93.03 (12/1)
Sweden (e)	371.16	371.73	401.34 (6/2)	362.05 (2/1)
Switzerld (f)	321.1	320.1	321.6 (30/2)	294.0 (3/1)

Indices and base dates (all base values 100 except NYSE All Common—50 . Standards and Poors—10 and Toronto 300—1,000; the last named based on 1975). † Excluding bonds ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/63. ** Copenhagen SE 1/1/73 †† Paris Bourse 1961 ‡‡ Commerzbank Dec. 1953 §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64 ‖‖ Banca Commerciale Italiana 1972 a Tokyo New SE 4/1/68 b Straits Times 1966 c Closed d Madrid SE 29/12/78; e Stockholm Industrial 1/1/58 f Swiss Bank Corporation u Unavailable

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F.T. CROSSWORD PUZZLE No. 3,947

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

ACROSS

1 Properly put to English novelist with assistance (4, 4)
5 Meaning to bring in . . . (6)
9 . . . soldier to sack husband (8)
10 Is French her name? (6)
12 Learned sound of multitude (5)
13 *Club is effective in foundry* (9)
14 Type that is going out (6)
16 Removed rapidly to navy going . . . (4, 3)
19 . . . to intimidate superior on Scots loch (7)
21 Composed during appointment in south-east (6)
23 Anaesthetic unit is first of a series (6, 3)
25 French cheese seen to right of pipe (5)
26 Bill is not settled (6)
27 Firm goes to SS trial (8)
28 Improves objectives about Middle-East (6)
29 Referred to notice put on green by newsman (8)

DOWN

1 Quarrel upset your old-fashioned notable (6)
2 Ignored by Socialists and nobody else (4, 5)
3 Use pence in post (5)
4 Fancy one group of wise men taking two directions (7)
6 Fail over creation of beauty queen (4, 5)
7 The inside alternative is not the same (5)
8 Changes course of performances on cricket side (5, 3)
11 Boxing match brings an objection with nothing in it (4)
15 Commercial coil dealt a regular blow (5, 4)
17 Confess to being both old-fashioned and up to date (3, 4, 2)
18 Low dive on river is the widow's portion (8)
20 Kind of crop not allowed to grow long (4)
21 Attendant gives way to oriental drawback (7)
22 Stand on feet and dance round with old Penny (6)
24 Hundreds leap about in wood (5)
25 Unsatisfactory for example to turn up with token (5)

Solution to Puzzle No. 3,946

FADESIN SPINOUT / ROYAL CHUMPCHOP / EQUIPOISE OVERT / SWISH KEGBITTER / MIDDLINGS ENROL / LEASH BREADLINE / SHORTFALL VIOLA / PINCHED RELAYED

SOLUTION AND WINNERS OF PUZZLE No. 3,942

KICKBACKS VIVID / NONET LORDSHIPS / SHAREPRICE MEMO / TOSSPOT OUTDONE / EARDRUM TURNERY / DUCK MAKEPUBLIC / IRONMOULD CADET

Following are the winners of last Saturday's prize puzzle:

Mr. A. N. Colledge, The Gate House, 29 Belvedere Road, Earlsdon, Coventry CN5 6PG.

Mr. J. N. Creswell, Lullington Court, nr. Polegate, Sussex BN26.

Mr. W. E. Quayle, Thorny Lodge, Thorny Road, Douglas I.o.M.

هكذا من الأصل

RACING — BY DOMINIC WIGAN

Better Blessed may turn up trumps

IT DOES not often pay to give a second chance to a handicapper who has just run a long *way below his best,* but backers may be right to make an exception with Better Blessed, among the runners for this afternoon's Rosebery Stakes at Kempton.

The William Hastings-Bass five-year-old, who looked something of a good thing for the Lincoln after a tremendous run at Cagnes-sur-Mer, where he failed by just a short neck to cope with Weth-Nan at level weights in the Prix de la Californie, was never seen with a chance at Doncaster.

Although some will say that Better Blessed seems to reserve his best performances for his overseas forays, the argument does not seem to hold water since the So Blessed horse put up some notable performances in this country two seasons back and gained his most important victory at the home of the Lincoln when lifting the International Harvester Handicap.

In the belief that Better Blessed simply had an off day in the William Hill Lincoln—a factor which must always be taken into account with a five-year-old entire horse—and that he remains a tough and genuine sort. I shall once again be pinning my hopes on him.

It is certainly food for thought to conjecture what odds would be available about Weth-Nan—lying second behind Trillion in one of Gilbey's European Champions series—were he in today's handicap alongside Better Blessed near the foot of the handicap. My guess is 5-2 on or thereabouts.

Other likely prospects from "headquarters," on an afternoon when Newmarket-trained runners could dominate proceedings, are Ancient Briton and the Lester Piggott-ridden pair Intercraft Boy and Young Man.

Ancient Briton, a Salvo colt trained by Gavin Pritchard-Gordon, whose Cades landed some substantial bets at Beverley eight days ago, proved himself a tough and useful handicapper last season with fine runs in such competitive events as the Queen's Vase at Royal Ascot.

He has been going well in recent work and may well be capable of giving 13 lb to John Dunlop's Sofronoff, the comfortable conqueror of Trojans Centenary in Nottingham's Trent Bridge Handicap last week. This pair contest the Campbell-Gray Handicap, formerly the Queen's Prize.

Intercraft Boy can only be given a tentative vote in the Easter Stakes, where Boden's Ride and Joleg are among the opposition. But Young Man should not have too many problems in the Ruth Wood Maiden Stakes.

Paul Kelleway's beautifully bred three-year-old who, for a colt by Riverman out of the Prix Morny winner, Revoque II (already responsible for four winners including Roi de Carreau) seems to have been something of a yearling "snip" at 5,400 gns, put up an encouraging display at Doncaster on Lincoln day.

Running on best of all at the finish in the one-mile Furniture Factors Stakes, Young Man came home a close fourth behind Bradamante after losing his place at half way. The additional half mile of today's event will suit him admirably.

KEMPTON

1.30—Daikoku
2.00—Better Blessed***
2.30—Intercraft Boy
3.05—Ancient Briton**
3.35—Kassak
4.05—Young Man*

SPAIN ♥

April 11	Per cent	
Asland	126.50	+0.50
Banco Central	334	—
Banco Exterior	282	—
B. Granada (1,000)	134	—
Banco Hispano	286	+6
Bco. I. Cat. (1,000)	162	—
Banco Madrid	212	—
B. Santander (250)	332	—
Bco. Urquijo (1,000)	275	+5
Banco Vizcaya	281	—
Banco Zaragozano	247	—
Dragados	200	−3
Espanola Zinc	94	—
Fecsa (1,000)	54.75	−0.50
Gal. Preciados	73	—
Hidrola	70.50	
Iberduero	61.25	−0.50
Petroliber	100	—
Petroleos	157	−0.50
Sniace	48	—
Sogefisa	130	—
Telefonica	80	+1
Union Elec.	67.25	−0.75

BRAZIL

Apr. 11	Price Cruz	+ or −	Cruz Div.	Yld. %
Acesita	0.98	+0.05	0.12	12.24
Bancodo Brazil	1.38	....	0.12	8.69
Banco Itau PN	1.34	....	0.37	27.61
Belgo Mi'eira OP	1.43	+0.04	0.08	5.59
Lojas Amer O.P.	2.20	....	0.20	9.09
Petrobras PP	1.40	+0.05	0.13	9.28
Pirelli OP	1.78	....	0.16	8.98
Souza Cruz OP	1.95	−0.03	0.21	10.78
Unip PE	5.40	+0.04	0.25	4.62
ValeRioDoce PP	1.45	−0.02	0.17	11.08

Turnover Cr. 121.7m. Volume 87.3m.
Source: Rio de Janeiro SE.

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax.

◆ DM 50 denom. unless otherwise stated. ♠ Pts 500 denom. unless otherwise stated. ♣ Kr 100 denom. unless otherwise stated. Φ FFr 500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. *a* Florins. *b* Schillings. *c* Cents. *d* Dividend after pending rights and/or scrip issue. *e* Per share. *f* Francs. *g* Gross div. %. *h* Assumed dividend after scrip and/or rights issue. *k* After local taxes. *m* % tax free. *n* Francs, including Unilac div. *p* Nom. *q* Share split. *s* Div. and yield exclude special payment. *t* Indicated div. *u* Unofficial trading. *v* Minority holders only. *y* Merger pending. * Asked. † Bid. § Traded. ‡ Seller. *z* Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. A Interim since increased.

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax.

NEW YORK

CANADA

GERMANY ◆

TOKYO ¶

MILAN

AUSTRALIA

PARIS

STOCKHOLM

COPENHAGEN ♣

AMSTERDAM

VIENNA

JOHANNESBURG

SWITZERLAND ◆

BRUSSELS/LUXEMBOURG

OSLO

Financial Rand U.S.$ 0.78½ (Discount of 33½%)

Dutch paper group warns of losses

By Our Financial Staff

DUTCH PAPER manufacturer, Van Gelder Papier, warns shareholders to expect a return to "considerable" losses for 1979.

The company, which is half owned by the Crown Zellerbach group of the U.S., moved out of the red last year with a net profit of Fls 27.6m, compared to losses of Fls 27.7m in 1977. But the bulk of the recovery occurred through extraordinary gains which totalled Fls 17.3m.

Van Gelder points out that an improvement in results in the longer term will depend heavily on the speed with which the company succeeds in its rationalisation and cost cutting. However, it is convinced it will succeed in the near future in making the company healthy and profitable.

Over-capacity still exists in large areas of the European paper industry and a reasonable solution for the international problems of paper making over-capacity will "not come into view before the start of the 1980's."

Continuing cost increases, particularly for raw materials, cannot be recovered sufficiently in prices for finished products.

Van Gelder expects increased competition in markets of its special fibre products division.

● Nederlandsche Middenstandsbank's first quarter results were up on the same 1978 quarter, the bank reports. However, it is "too early" to make a forecast for the whole year, according to the prospectus for a Fl 150m 8¾ per cent debenture loan.

Net profit in 1978 rose to Fl 125.8m from Fl 98.2m in the previous year, with net profit per share increasing to Fl 28.47 from Fl 24.68.

Honda Motor forecasts return to profits growth

BY YOKO SHIBATA IN TOKYO

A RETURN to profits growth this year is forecast by the Honda Motor Company of Japan whose parent company earnings in the year ended February 28, dipped by 8½ per cent to Y16bn ($75m).

The company, which is currently in talks with BL of the UK aimed at technical and business co-operation, expects parent after tax profits to rise to Y20bn this year following a performance in the second half of 1978-79 that managed virtually to hold all-square.

Honda has yet to publish full consolidated results for its past financial year. In 1977-78 these improved by 14 per cent to Y27.5bn at the net level, with the parent company accounting for just under two-thirds of the total.

The latest figures from the company are, in fact, noticeably better than predicted last October when Honda expected a drop of more than 15 per cent for 1978-79. One important explanation is the pattern of foreign exchange losses. These cost the Honda parent company Y14bn, of which only Y4bn were taken against the second six months.

Honda has the highest export ratio within the Japanese motor industry, accounting for 65 per cent of the total sales in value and the upsurge of the foreign exchange value of the Yen had a considerable impact on its overseas sales, in particular exports of motorcycles. Motorcycle exports declined by 5.3 per cent (or 85,000 units) to 1,549,000 units, while domestic sales went up by 6.9 per cent to 909,000 units.

The outlook for the current year is clearly brighter thanks to such positive factors as the lower Yen exchange rate against the U.S. dollar and production increases of passenger cars. Honda expects parent company operating profits to emerge at Y39.5bn, up 33.6 per cent on sales of Y1,010bn, up 9.5 per cent.

Optimism at Metallgesellschaft

BY GUY HAWTIN IN FRANKFURT

METALLGESELLSCHAFT, the Frankfurt-based metals, engineering and transport concern, is expecting earnings to improve during the current 1978-79 business year, though no estimate of the improvement has yet been forthcoming.

However, the profits position appears to be much healthier than in 1977-78 when a sharp drop in earnings led to a cut in proposed dividend. Metallgesellschaft (MG) shareholders, at the annual meeting on May 9, will be asked to approve a reduction in dividend from 1976-77 DM 5 per DM 50 nominal share to DM 4.

Mr. Karl Gustaf Ratjen, MG's chief executive, said that the performance of the concern during the first five months of 1978-79 led the management to expect improved profits. However, Mr. Werner Busch, the finance chief, said that progress in the opening five months had been under the planned level because of a "negative softening" of performance in the metals processing sector.

Despite this, the year's targets would be reached if the current situation in the metal market continued.

Turnover during the first five months of the business year amounted to DM 3.1bn ($1.64bn)—about the same level as during the comparable period of 1977-78.

Domestic sales had increased by 6 per cent.

World sales in 1977-78 rose by just under 2 per cent from DM 7.82bn to DM 7.97bn.

Net profits fell heavily. They dropped from DM 41.3m in 1976-77 to DM 24.3m ($12.8m). The management commented that the poor state of the zinc and nickel markets had produced marked losses which offset positive results for the production of other metals and from metals trading.

French store recovery

BY OUR PARIS STAFF

THE FRUITS of the past two years' tough reorganisation policy at Au Printemps, the French department store and supermarket group, have been sweeter than expected.

Group net profits for last year are expected to reach FFr 75m ($17.6m after three consecutive loss-making years. This more than wipes out 1977's loss of FFr 64.5m.

Most of the cost of the group's reorganisation went on the 1977 accounts, and last year's charges in this respect were down to FFr 13m from FFr 81m. The company also benefited from advantageous tax conditions.

At parent company level, net profits were FFr 74.2m compared with a FFr 56.8m loss in 1977. The company is not proposing to pay a dividend. But its chairman, M. Bernard Maus, said recently that he expected dividends to be resumed next year if the group's improved performance continues.

Credit Lyonnais omits its dividend

By David White in Paris

CREDIT LYONNAIS, number two of the "big three" nationalised French commercial banks, reports a sharp fall in net profits for last year to FFr 230m ($54m), compared with FFr 303m in 1977. The bank said the drop corresponded with a special tax charge on financial institutions which amounted to FFr 78m.

Operating results before depreciation and provisions were 10 per cent down, as the volume of business, hampered by a sluggish credit demand from companies and by strong competition among banks, failed to rise in line with costs. Credit Lyonnais also had to set aside a larger amount (over FFr 1bn) for provisions and bad risks.

It was last year that the bank found a FFr 47m "hole" in its portfolio management operations on foreign stock markets. A British former employee and a senior French employee were later charged.

Credit Lyonnais' balance sheet total grew by 26 per cent to FFr 297bn. Clients' deposits increased by 16 per cent to FFr 127bn, and credit operations expanded by 11 per cent to FFr 123bn.

The fall in operating profits only reflected Credit Lyonnais' domestic operations. Earnings from its overseas network remained stable. The bank said it is proposing to use all last year's profit to bolster reserves and it will therefore omit its dividend.

CGE boosts net earnings

By Our Financial Staff

NET PROFITS higher by a tenth are reported by the French electrical group, CGE, which is in the process of acquiring an indirect shareholding of more than 8 per cent in the Goldsmith group company, Generale Occidentale.

Profits for 1978 are FFr 151.9m, compared with FFr 137.9m. Including net capital gains, profits amount to FFr 160.9m against FFr 377m.

Total proposed dividend is unchanged at FFr 33.90 on capital raised by one-for-five share issue.

Indiana Standard acquires Cyprus Mines for $460m

BY STEWART FLEMING IN NEW YORK

STANDARD OIL of Indiana, one of the world's largest oil companies, appears to be on the verge of completing its long-sought diversification into the metals industry with the agreed acquisition of Cyprus Mines, a Los Angeles-based copper, lead and zinc manufacturer, for $460m in a share exchange worth $42 a share. Shareholders can elect to take $42 a share cash for up to 45 per cent of their holding.

Indiana Standard, best known by its Amoco brand name, has been indicating its determination to complete a major natural resources diversification for several months. In November last year it emerged that the company had tentatively examined the possibility of acquiring the largest U.S. copper producer, Kennecott, for around $1bn. The scheme would have involved selling off the Kennecott subsidiary Carborundum. Kennecott's acquisition of Carborundum provoked a storm of controversy and nearly led to the unseating of the management

Last December, Indiana Standard opened talks on the purchase of Blue Diamond Coal for around $24m.

The move by the big oil concern brings it closer into line with several of its major competitors who have been expanding their natural resources operations. The well-established diversification trend among the oil companies has been increasingly criticised on the grounds that the corporations should be putting their cash flow from oil business into finding and exploiting new oil deposits.

Last week, President Carter said that under his new energy policy he would "demand" that oil company profits from decontrol of U.S. oil prices would be used to "develop energy for America."

Mr. John E. Swearingen, chairman of Indiana Standard, said yesterday that the company's domestic oil exploration will not be affected by a merger with Cyprus. He added that the company's exploration and capital budget for 1979 is $2.9bn, a record.

In common with most of non-ferrous metals groups, Cyprus Mines has been recovering strongly from the depression in the industry. In 1977 it lost $10.8m on sales of $327m. Last year earnings jumped to $50.6m.

TXIA lifts bid for NAL

BY OUR FINANCIAL STAFF

THE BID struggle for National Airlines (NAL) was taken a significant step further yesterday when Texas International Airlines increased its terms to nominally match the $50 a share offered for National by Eastern Airlines, and outstrip the $41 a share offered by Pan American World Airways.

Texas International (TIA) is now offering $15 cash and $35 principal of an 11¾ per cent senior sinking fund debenture due 1989 for each National share. It previously offered $8 cash and one of its own shares plus $30 principal of an 11¾ per cent debenture due 1989. TIA currently own 25 per cent of the shares of National.

National Airlines has agreed to Pan Am's $41 a share offer but all parties still await a decision from the Civil Aeronautics Board (CAB) which is also considering a petition from TIA for control of National. Decisions on both questions are expected from the CAB by April.

$52.2m loss at A and P

NEW YORK—Great Atlantic and Pacific Tea (A and P), the troubled grocery chain, has turned in a loss of $52.2m for the past year, compared with net earnings of $569,000 or 2 cents a share previously. This year's total gives effect, says the company, to the restructuring programme amounting to $51.2m before tax.

Mr. Jonathan L. Scott, the chairman and chief executive, said the restructuring programme will be cash generating, adding to an already strong cash position and will improve profitability.

Agencies

U.S. QUARTERLIES

CERTAINTEED

First quarter	1979 $	1978 $
Revenue	198.6m	202.6m
Net profits	2.19m	14.67m
Net per share	0.08	0.94

CHEMICAL NEW YORK

First quarter	1979 $	1978 $
Net profits	30.7m	27.6m
Net per share	1.94	1.75

WALT DISNEY PRODUCTIONS

Second quarter	1979 $	1978 $
Revenue	186.7m	169.9m
Net profits	5.74m	23.03m
Net per share	0.79	0.71
Six months		
Revenue	341.4m	307.0m
Net profits	43.76m	36.38m
Net per share	1.35	1.12

FIRST CITY BANCORP OF TEXAS

First quarter	1979 $	1978 $
Net profits	14.97m	12.80m
Net per share	1.30	1.12

NORTH AMERICAN PHILIPS

First quarter	1979 $	1978 $
Revenue	546.1m	464.0m
Net profits	14.80m	10.87m
Net per share	1.14	0.84

PACIFIC LIGHTING

First quarter	1979 $	1978 $
Revenue	644.7m	445.8m
Net profits	28.93m	21.60m
Net per share	1.21	0.82

TELEDYNE

First quarter	1979 $	1978 $
Revenue	684.3m	578.0m
Net profits	86.7m	52.7m
Net per share	6.40	3.69

TEXAS COMMERCE BANCSHARES

First quarter	$ 1979	$ 1978
Net profits	19.44m	14.74m
Net per share	1.35	1.10

KROGER

First quarter	1979 $	1978 $
Revenue	1.93bn	1.67bn
Net profits	19.69m	12.4m
Net per share	1.44	0.91

SAMBO'S RESTAURANTS

Fourth quarter	1978 $	1978 $
Revenue	149.6m	129.4m
Net profits	*4.99m	4.59m
Net per share	*0.39	0.39
Year		
Revenue	577.4m	491.8m
Net profits	7.67m	22.77m
Net per share	0.59	1.77

U.S. TRUST

First quarter	1979 $	1978 $
Net profits	2.12m	1.99m
Net per share	0.71	0.67

BANK OF NEW YORK

First quarter	1979 $	1978 $
Net profits	10.8m	8.5m
Net per share	1.79	1.42

COMMODITIES/Review of the week

Sharp cut in cocoa grindings but prices edge up

BY OUR COMMODITIES STAFF

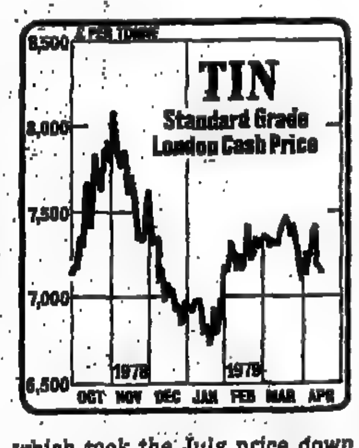
UK COCOA bean usage declined 16.7 per cent in the first quarter of this year compared with the same period in 1978. The Ministry of Agriculture announced that January-March grindings totalled 17,500 tonnes, down from 21,010 a year ago.

A sharp reduction in grindings had been generally expected but few London traders thought the cut would be more than 15 per cent. Coming on top of last week's disappointing 3.5 per cent cut in U.S. first-quarter grindings, the news might have been expected to depress the cocoa market but in fact prices rose marginally.

Encouraged by an overnight advance on the New York market, nearby values rose by up to £6 a tonne shortly after the London opening and by the close, July cocoa was quoted at £1,555.5 a tonne, up £10 on the day but £23 lower on the week.

Dealers pointed out that the grindings cut had been affected by increased imports of cocoa products, and therefore tended to exaggerate the weakness of the cocoa consumption trend.

The reluctance of traders to sell cocoa yesterday may have been partly due to nervousness ahead of the Eastern break in view of the recent sharp fall which took the July price down to a 14-month low of £1,543.5 a tonne during the week.



In contrast, coffee prices climbed to a new six-month high this week, encouraged by expectations of rises in producer country export prices. The July futures position on the London market ended £53 higher on the week at £1,507.5 a tonne.

According to market rumours, Brazil succeeded in persuading Central American producers to raise their minimum export prices at the International Coffee Organisation meeting in London last week. Brazil is believed to have offered to co-operate in the Central American scheme for supporting world market prices in return for the rises, which will make its own coffee more competitive.

World sugar prices continued to drift in quiet trading. The London daily price lost another £2 to £95 a tonne—the lowest level since the beginning of February—partly reflecting the rise in the value of sterling.

Tin lead a general fall in base metal prices this week with cash metal ending £245 lower at £7,130 a tonne on the London Metal Exchange. The fall mainly reflected an easing in the market supply squeeze which pushed the Penang price down from $M2,005 a picul on Monday night to $M1,942 on Wednesday. Thursday's £30 fall in London was also influenced by forecasts of a substantial rise in LME warehouse stocks.

Copper prices fell sharply in mid-week in a technical reaction against the previous rise. But forecasts of a new fall in LME stocks helped to lift values yesterday and cash wirebars rose £10 to end £6.75 lower on the week at £1,034.25 a tonne.

Lead and zinc followed the trend in copper ending £3 lower at £656 a tonne and £8 lower at £378 a tonne respectively. Lead prices were boosted yesterday by forecasts of a sharp stocks fall.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'ge on week	Year ago	1979 High	1979 Low
Metals					
Aluminium	£710	—	£680	£710	£710
Free Market c.i.f.	$1,540/60	-20.0	$980/95	$1,610	$1,210
Antimony (99.6%)	£1,925	-6.75	£1,926	£1,975	£1,825
Free Market (99.6%)	$3,000/60	—	$2,300	$3,025	$2,712.5
Copper					
Cash Wire Bars	£1,034.25	-6.75	£683.75	£1,062.5	£769
3 mths Do. Do.	£1,037	-2.5	£708.75	£1,073.75	£785.75
Cash Cathodes	£1,035.5	-6.0	£684	£1,054	£753
3 month Do.	£1,035.5	-1	£699.25	£1,068	£771.25
Gold per oz.	$239.625	-8.0	$178.375	$253.625	$216.625
Lead Cash §	£566	-3.0	£313.25	£605	£456.75
3 months §	£532.5	-2.0	£318.25	£568.75	£520.75
Nickel	£2480.56	-42.58	‡	£2,523.14	2,320.69
Free Market c.i.f. lb.	$255/65	+10.0	193/205c	260c	166c
Platinum per oz.	£159	—	£117.50	£164.5	£153
Free Market per oz.	£184.8	-0.6	£116.7	£210.95	£169.3
Quicksilver (76lbs.)	£255/65	+0.05	$130/35	$260	$160
Silver per oz.	354.15p	-0.15	280.9p	390.85p	296.4p
3 months per oz.	362.55p	-0.55	285.8p	402.95p	303.7p
Tin cash	£7,130	-245.0	£5,940	7,417.5	£6,715
3 months	£7,015	-127.5	£5,940	7,317.5	£6,682
Tungsten Ind.	$157.32	—	—	$145.56	$127.94
Wolfram (22.04 lb.)	$131/35	-1.5	$143/48	$145.5	$120.5
Zinc cash	£378	-8.0	£299	£408.5	£340.5
3 months	£388.75	-9.0	£305	£423.5	£350.5
Producers	$800	—	$650	$800	$720
Grains					
Barley					
Home Futures	£87.3	+0.25	£80.5	£96.10	£86.8
Maize					
French No. 3 Yellow (American)	£110.75	-0.25	£106	£112	£107.25

	Latest prices per tonne unless stated	Ch'ge on week	Year ago	1979 High	1979 Low
Wheat					
No. 1 Red Spring	‡	—	£94	£97.75	£97
Am. Hard Winter	‡	—	‡	£91	£85.5
Eng. Milling (new crop)	£101.5	—	£97.25	£105.5	£93.5
Spices					
Cloves (φ)	£3,950	—	£4,500	£5,875	£3,950
Pepper, white	$2,600	—	$2,875	$2,850	$2,600
Black	$1,675	-15.0	$2,050	$1,850	$1,660
Oils					
Coconut (Philip'ne)	$1,100	+75.0	$817.5	$1,100	$925
Groundnut 5%	‡	—	£722	‡	‡
Linseed, Crude	£400	-20.0	£332	£441	£384
Palm Malayan	$664	-1.0	$588	$720	$610
Seeds					
Copra (Philippines)	$710	+10.0	$405	$720	$620
Soyabeans (U.S.)	$308.5	+0.8	$288.5	$322	$285.25
Other Commodities					
Cocoa Shipment	£1,605	-23.5	£2,113	£2,041	£1,580
F'ts 2nd pos.	£1,555.5	-23.0	£1,394	£1,990.5	£1,543.5
Coffee Futures May	£1,507.5	+53.0	£1,365.5	£1,508.5	£1,286.5
Cotton Index	73.5c	—	69.3c	78.65	72.5c
Des. Coconut	£720	—	£645	£740	£700
Jute LJABW C grade	$492	-8.0	$465	$536	$476
Rubber kilo	60p	-0.5	48.5p	64p	55p
Sago Pearl	£185	—	£177	£185	£178
Sisal No. 3 L	$600	+15.0	$520/40	$600	$515
Sugar (Raw)	£95	-2.0	£102	£109	£93
Tapioca No. 1	£169	—	£172	£169	£167
Tea (quality) kilo	‡	—	135p	158p	125p
(plain) kilo	‡	—	88p	84p	75p
Wooltops 64s Warp	285p kilo	-2.0	274p kilo	291p kilo	268p kilo

‡ Unquoted. * Nominal. φ Madagascar.

BASE METALS

COPPER—Moved ahead in morning only trading on the London Metal Exchange. Forecasts of a further decline in warehouse stocks coupled with Continental buying interest lifted forward metal to £1,038. However, this level attracted profit-taking and the price dipped to close the kerb at £1,034, after £1,033. Turnover 22,850 tonnes.

[illegible]

SILVER

Silver was fixed 3.5p an ounce lower for spot delivery in the London bullion market on Thursday at 354.5p. U.S. cent equivalents of the fixing levels were: spot 738.8c, down 13.4c; three-month 754.3c, down 14.0c; six-month 770.50c, down 14.3c; and 12-month 795.8c, down 14.8c. The metal opened at 355¼-358¼p (741-743c) and closed at 354¾-355¼p (739½-740½c).

[illegible]

COCOA

[illegible]

COFFEE

[illegible]

GRAINS

[illegible]

Maize: U.S./French April 110.75, May 112, June 112 trans-shipment East Coast. South African White unquoted. South African Yellow May 77.

Barley: English feed fob April-May 99.50, East Coast.

Sorghum: U.S. / Argentina / French April 102, May 102.50, trans-shipment West Coast.

Oats: Scandinavian feed unquoted.

RUBBER

[illegible]

SOYABEAN MEAL

[illegible]

SUGAR

[illegible]

WOOL FUTURES

[illegible]

COTTON

[illegible]

AMERICAN MARKETS

NEW YORK, April 11.

Orange Juice—May 106.50 (104.45), July 105.25-106.00 (104.00), Sept. 104.00-105.50, Nov. 102.10, Jan. 98.80-98.90, March 98.70-98.80, May 99.30-99.50, July 99.75-99.95, Sept. 100.00-100.50. Sales: 418.

*Gold—April 232.90-233.20 (232.60), May 234.20 (233.60), June 235.50- [illegible]

[illegible] 44.05, Dec. 44.10-44.05 asked, Feb. 44.00, April 41.70, June 42.60 asked. Sales: 6,608.

Plywood—May 201.3 (200.7), July 204.2 (203.0), Sept. 204.2, Nov. 203.0, Jan. 204.3, March 205.5, May 205.5, July 205.5, Sept. 205.5.

Pork Bellies—May 57.85-58.00 (58.22) [illegible]

[illegible] 9.46, May 9.68-9.70, July 9.88, Sept. 10.02-10.08. Sales: 57.

CHICAGO, April 11.

Live Cattle—April 78.27-75.05 (78.82), June 78.65-78.50 (76.02), Aug. 74.80-74.70, Oct. 73.00-72.80, Dec. 72.90-72.75, Jan. 72.60 asked, Feb. 72.75, April 73.00-72.85 asked, June 73.50, Aug. 72.90. Sales: 37,140.

Live Hogs—April 48.25-48.10 (48.30), June 49.50-49.55 (49.97), July 50.10-49.92, Aug. 48.85-47.00, Oct. 43.95- [illegible]

[illegible] 103.80 bid.

§Barley—May 85.10 asked (83.80 asked), July 84.70 (84.00 bid), Oct. 87.80, Dec. 87.50 asked, March 89.10 bid.

§Oats—May 83.90 asked (82.30 asked), July 81.60 asked (79.60 bid), Oct. 84.50 bid, Dec. 84.00, March 85.40 bid.

§Flaxseed—May 330.10 asked (331.60 bid), July 326.00 (327.00 bid), Oct. 314.00 bid, Nov. 306.50 asked, Dec. 304.00 bid.

INDICES

FINANCIAL TIMES

Apr. 11	Apr. 10	M'nth ago	Year ago
275.07	271.85	270.79	239.83

(Base: July 1, 1952=100)

MOODY'S

Apr. 11	Apr. 10	M'nth ago	Year ago
1058.4	1049.2	1056.1	904.0

(December 31, 1931=100)

DOW JONES

Dow Jones	Apr. 11	Apr. 10	Month ago	Year ago
Spot	381.61	379.02	380.99	364.86
F'tur's	383.15	382.50	385.05	354.66

(Average 1924-25-26=100)

REUTERS

Apr. 11	Apr. 10	M'nth ago	Year ago
1544.5	1549.6	1541.3	1441.0

(Base: September 18, 1931=100)

1,015 tonnes against 1,347 tonnes the previous week, reports F. W. Tattersalls. Modest demand continued up to the Easter holiday with only occasional support from users. Interest ranged over various Middle Eastern and Latin American styles.

GRIMSBY FISH — Supply: good: Demand: fair. Prices at ship's side (unprocessed) per stone: Shelf Cod £4.00-£4.50, Codlings £2.60-£3.60, Large Haddock £5.00-£6.00, Medium Haddock £4.20-£4.80, Small Haddock £2.00-£4.00, Large Plaice £3.00, Medium Plaice £2.65-£3.40, Best Small Plaice £3.40-£3.90. Skinned Dogfish (large) £10.00; (medium) £6.00. Lemon Soles (large) £7.00; (medium) £5.50, Reds 1.60-1.90, Saithe 2.00-2.60.

MEAT/VEGETABLES

COVENT GARDEN—Prices in sterling per package except where stated: [illegible]

[illegible] 27/88 3.45-4.25. Apples—S. African: Dunn's 5.80, Golden Delicious 6.80-7.00, Starking 7.60, Jonathans 7.20-7.40; French: Golden Delicious (40-lb) 138/175's 3.30-4.40 (20-lb) 72's 1.80-2.00, 84's 1.60-1.80, (jumble pack) per lb 0.08-0.10, Starkrimson (40-lb) 138/198's 4.00-5.20, (20-lb) 84's 2.00-2.30, 72's 2.40-2.60, (jumble pack) per lb 0.08-0.10, Starking (40-lb) 150/175's 3.50-5.00; Italian: Granny Smith per lb 0.10-0.11; Washington: Red Delicious 40-lb 7.50-10.00; New Zealand: Cox's 175's 8.30-8.50; Chilean: Granny Smith per box 163's 7.60. Pears—S. African: Cases 40-lb Packham's 8.80, Beurre Bosc 6.80; Cartons 34/35-lb Beurre Hardy 6.70-6.80, Beurre Bosc 6.00-6.30; Italian: Passacrasane trays 14-lb 2.20-2.30. Plums—S. African: Per lb Songold 0.40-0.45, Golden King 0.40-0.44. Bananas — Jamaican: Per 26-lb 4.00-4.20. Pineapples—S. African: [illegible]

Stock Exchange dealings

Thursday, April 12	4,399
Wednesday, April 11	4,493
Tuesday, April 10	4,634
Monday, April 9	5,024
Friday, April 6	7,192
Thursday, April 5	5,466

The list below gives the prices at which bargains were done by members of the Stock Exchange and recorded in last Thursday's Stock Exchange Daily *Official List*. For those securities not marked in Thursday's List, we show the latest markings recorded during the previous four business days; these are distinguished by the dates shown in parentheses.

The number of dealings marked on Thursday in each section follows the name of the section. Unless otherwise denoted, shares are £1 fully paid and stock £100 fully paid.

Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 pm only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ● Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. & Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mx—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS (437)

CORPORATIONS (28)

FREE OF STAMP DUTY

London County 3pc 25½ (9/4). 5pc 82@ ¾. 5½pc 1977-81 88 (11/4). Do. 1982 82½. Do. 1985-87 72¾. 6pc 98⅛ (9/4). Greater London 6½pc 89¼. 9½pc 94¼@ (9/4). 1982 12½pc 103¼@. 1983 104 (10/4)

COMMONWEALTH GOVTS. (3)

COMMONWEALTH CORPS. (—)

FOREIGN STOCKS (1)

FOREIGN CORPS. (—)

BANKS (142)

Barclays Bk. Intnl. 7¾pcUnsecd Cap.Ln. 78

Can. Imperial Bk Commerce ($C2) 14 ¼ (11/4)

Cater Ryder 386 7

Chase Manhattan Cpn. Shs. ($US12.50) 19@

Clive Dis. Hldgs. (20p) 109@ 160 (11/4)

Commcl. Bk. Australia (Lon. Reg.) ($A1) 160 (11/4)

Commrl. Bkg. Sydney ($A1) 133 (6/4)

Deutsche Bank Aktiengesellschaft Bearer Shs. (DM50) 85 (11/4)

Fraser Ansbacher (10p) 15¼@

PUBLIC BOARDS (39)

FREE OF STAMP DUTY

BREWERIES (226)

COMMERCIAL (2,593)

A—B

Alexanders Hldgs. (5p) 20¼ 19 (6/4)
Alginate Industs. (25p) 321 3 (6/4)
Allebone and Sons (10p) 29½ 8½
Allen (E.) Balfour (25p) 58½ 60
Allen (W. G.) and Sons (Tipton) (25p) 48@
Allied Colloids (10p) 115
Allied Leather Indus. (25p) 118 (6/4)
Allied Plant (10p) 26½ (11/4)
Allied Suppliers 6¾pcUnsec.Ln. 54 ½ (10/4)
Alpine Hldgs. (5p) 110½
Alpine Soft Drinks (10p) 174 (9/4)
Amalgamated Metal Cpn. 356 (6/4)
Amal. Power Engng. (25p) 137@ 6@ 8@ 6 7
Amatil ($A1) 150 $US2.54 (11/4)
Amber Day Hldgs. (10p) 50 (10/4)
Amber Industrial Hldgs. (10p) 28
Anchor Chemical (25p) 73 (10/4)
Anderson Strathclyde 7¼pcLn. 66
Anglia Television Group A (25p) 124 6 (11/4)
Anglo-American Asphalt (25p) 44 (10/4)
Applevard Group (25p) 102@
Aquascutum Assoc. (5p) 47. A (5p) 44½
Arcolectric (Hldgs.) (5p) 38@. A (5p) 38½
Arenson (A.) (Hldgs.) (10p) 123@ 2
Argus Press 7pcPf. 51 (9/4)
Arlen Electrical (25p) 80 (10/4)
Armitage (George) Sons 10½pc2ndPf. 105 (6/4)
Armitage Shanks Group (25p) 77
Armstrong Equipment (10p) 72 1 (11/4)
Arncliffe Hldgs. (10p) 48 (9/4)
Assoc. Biscuit Mnfrs. (20p) 88. 3.65pc Pf. 41½. 6pcDb. 82¾ (10/4)

Non. V. Ord. (50p) 298 4 5. Do. Wrnts. to sub. for A Non. V. Ord. 157 6 3 5 (11/4). 8pcLn. 65@. 9¼pcLn. 74 (10/4)
Butterfield Harvey (25p) 71½ 1

C—D

C.H. Indust. (10p) 27 (6/4)
Cableform Grp. (5p) 78½ (9/4)
Cadbury Schweppes (25p) 62@ 4@ 2½ 3. 9pcLn. 82
Caffyns (50p) 118 (10/4)
Caird (Dundee) (25p) 17 (10/4)
Cakebread, Robey A (10p) 45½
Caledonian Hldgs. (25p) 174½
Callender (George M.) (10p) 27½ (6/4)
Camford Engineering (10p) 75@
Campari Internat. (20p) 119@ 6@
Camrex (Hldgs.) (20p) 53½
Canadian Overseas Packaging Indust. 141@
Canning (W.) (25p) 52@ 1. 7½pcLn. 64 (10/4)
Cantors A Non. V. Ord. (20p) 53 (6/4)
Cape Indust. (25p) 175@ 7@
Caplain Profile Grp. (10p) 228@ 30@
Capper-Neill (10p) 67@ ½ 8½ 7
Capseals (5p) 49½
Caravans Internat. (20p) 67@
Carclo Engineering Grp. (25p) 82 (11/4)
Carless Capel, Leonard (10p) 40 ½ (11/4)
Carlton Indust. (25p) 262 (10/4)
Carpets Internat. (50p) 58½@ 58 7 70 65 71
Carr (John) (Doncaster) (25p) 62 (6/4)
Carrington Viyella (25p) 33 4. 4.2pcDb. 55½ (6/4). 8.1pcLn. 66 (9/4)

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—X—Z

UK COMPANY NEWS

Brittains pulling out of non-paper making activities

Brittains, the Staffordshire-based paper group with interests in engineering and insurance, is to shut down or sell off those of its interest not involved in paper-making. To carry out this further programme of reorganisation it is raising further finance from its bankers.

The move follows the appointment of a receiver to Brittains Paper in January.

Brittains' resources are being concentrated on its speciality papermaking activities, comprising Wolvercote Mill, Oxford; Brittains Arborfield, Peterborough; Brittains Converters, Hanley, Stoke-on-Trent; and Allan B. Carlisle, Macclesfield.

Barclays Bank, the group's bankers, has agreed to provide further overdraft facilities to enable a financial reconstruction and reorganisation to be completed as speedily as possible.

It will enable repayment at par plus accrued interest of £847,226 10.5 per cent convertible debenture stock 1991-96, proposals for which will be put to stockholders as soon as practicable.

As part of a capital reconstruction Equity Capital for Industry and Oxford University Press have agreed in principle to exchange part of their loan capital for preferred share capital. The conversion of the 7¾ per cent unsecured loan stock 1979-81 into preferred share capital will also be proposed.

The group intends to "make the most of its advanced technology and skills in the manufacture of speciality papers and to exploit its dominant position."

The sale of companies not involved in paper making has already begun. Kenmac Construction company has been sold and it is intended to sell Brittains Plastics, Brittains Plant, and G. Priestner (the transport subsidiary) all as going concerns.

In order to implement the reorganisation and financial reconstruction Barclays has been asked to appoint receivers to three small subsidiaries: Brittains Builders Supplies, Macclesfield Engineering, and Brittains Tunnelling.

The disposals and closures, together with the trading losses incurred in 1978, will result in the group's accounts showing a reduction of net tangible assets "necessitating a capital reconstruction involving the conversion of part of the group's loan capital into share capital and the reduction of the existing paid up share capital" by the following methods.

The capital reconstruction will involve a scheme of arrangement which will require the approval of loan and preference holders and of the court.

Triplevest up to £1.87m

Taxable revenue of Triplevest rose from £1.67m to £1.87m in the year to February 28, 1979. Tax for the period takes £681,055, compared with £610,462.

The final dividend of 2.498p net on the income shares lifts the total from 4.394p per 50p share to 4.941p.

Total net assets at the year-end were £35.66m (£30.19m) and the net asset value per capital share was well up from 261½p to 352½p.

F. Copson midyear growth

Further growth was achieved by F. Copson, supplier of heating equipment and builders materials, in the six months to October 31, 1978, with taxable profit ahead from £62,487 to £75,116.

Full year profit is expected to be at least as high as the record £0.17m produced last time says Mr. F. Copson, the chairman.

Sales were up from £2.16m to £2.82m and after tax of £39,060 (£30,012) the net balance came out at £36,056 (£32,475). The pre-tax figure for the 1977 half incvluded a £11,280 profit on the sale of leasehold premises.

Beauford up and expanding into U.S.

Profit after tax of Beauford Group, maker of heavy machine tools and plant, climbed from £409,436 to £575,457 in 1978. Sales were up some £0.6m at £4.87m.

The company's current order book is strong and operations are being expanded into the U.S.

Stated earnings per share were ahead to 17.6p, against 12.6p, and the book value of net tangible assets at year-end amounted to 54p per 10p share.

A net final dividend of 2.53p steps up the total to 3.73p (3.34p) which cost £91,478 (£81,922).

Midland News up £0.87m

TAXABLE profits of Midland News Association jumped from £2.59m to £3.46m in 1978 on turnover ahead from £26.56m to £31.48m. Tax for the period takes £1.98m (£1.45m).

The dividend on the restricted ordinary shares is held at 8.75 per cent. On the non-voting ordinary shares the payout is raised from 16.66 to 19.201 per cent, and on the A ordinary from 12.705 to 13.9755 per cent.

Earnings on the restricted ordinary are the same at 8.7p. The non-voting share earnings go up from 90.4p to 120.8p and those on the A shares from 2.5p to £3.2p.

BIDS AND DEALS

NAPF critical of EPC loan repayment

The National Association of Pension Funds has sent out a circular to its members criticising terms offered for the repayment of the 12 per cent convertible unsecured loan stock in English Property Corporation if the bid from Olympia and York Developments becomes unconditional.

The proposals offer repayment at par on March 31, 1981, or at £98 per cent in June, 1979, plus £1.94 in accrued interest.

The NAPF has held inconclusive talks with Rothschilds, the advisers to Olympia and York. It claims that other institutional shareholders are also against the proposals.

YULE CATTO

Morgan Grenfell has sold its 7.9 per cent interest in Yule Catto, the Malaysian plantation and international trading group. The 1,223,013 shares have been sold "through the market."

EXCALIBUR TALKS CALLED OFF

Excalibur Jewellery's talks with a third party have been called off.

Excalibur, the manufacturer of watch bracelets and jewellery, said that "it has not been possible to reach a mutually acceptable proposal."

UTD. BISCUITS PURCHASE

United Biscuits (UK) has acquired for cash Elisabeth the Chef which manufactures from premises in Leamington Spa a range of high quality cakes and [illegible] for sale in a chain of [illegible] operated by the company.

In addition it is a substantial supplier of frozen gateaux and desserts to UB's subsidiary Alveston Kitchens. This acquisition represents a further extension of UB's interest into the frozen food market.

RHM IRISH DAIRY DEAL NEARS COMPLETION

Ranks Hovis McDougall announces that negotiations are at an advanced stage for it to acquire the capital of Antrim Creameries and Ulster Daily Products, of Ballynure, Northern Ireland, for a total consideration of some £2.3m.

It is anticipated that completion will take place early in May, 1979.

The companies, which are private companies, are engaged in the manufacture and marketing of cheese.

RHM already has interests in the UK dairy market through its wholly owned subsidiary Dairy Produce Packers, which primarily packs and markets butter and cheese.

GAS (7)

INSURANCE (151)

INVESTMENT TRUSTS (146)

ELECTRIC LIGHT (—)

FINANCIAL TRUSTS (95)

Rhodesian (3)

South African (34)

West African (—)

Diamond (4)

OIL (216)

PROPERTY (131)

UNIT TRUSTS (7)

MINES

Australian (1)

Miscellaneous (67)

RUBBER (31)

UK RAILWAYS (1)

SHIPPING (35)

TEA (6)

TELEGRAPHS (—)

TRAMWAYS (—)

CANALS (4)

WATERWORKS (2)

SPECIAL LIST

Business done in securities quoted in the Monthly Supplement.

APRIL 12 (Nil)

APRIL 11 (3)

APRIL 10 (Nil)

APRIL 9 (3)

APRIL 6 (Nil)

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange.

APRIL 12

APRIL 11

APRIL 10

RULE 163 (2) (a)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

APRIL 12

APRIL 11

APRIL 10

APRIL 9

APRIL 6

RULE 163 (3)

Bargains marked for approved companies engaged solely in mineral exploration.

APRIL 11

APRIL 10

APRIL 9

APRIL 6

(By permission of the Stock Exchange Council)

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest %	Interest payable	Minimum sum £	Life of bond Year
Knowsley (051 548-6555)	11¾	½-year	1,000	5-7
Poole (02013 5151)	10⅞	½-year	500	5
Poole (02013 5151)	11⅛	½-year	500	6-7
Redbridge (01-478 3020)	11¼	½-year	200	4-5
Redbridge (01-478 3020)	11¾	½-year	200	6-7
Wrekin (0952 505051)	11	yearly	1,000	2-3

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	*Term shares
Abbey National	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Aid to Thrift	8.25	8.75	—	—
Alliance	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Anglia Hastings and Thanet	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Bradford and Bingley	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Bridgwater	7.75	8.00	9.50	9.50 4 yrs., 9.10 2½ yrs., 8.75 2 yrs.
Bristol and West	7.75	8.00	9.25	—
Bristol Economic	7.75	8.00	9.25	8.25 3 months' notice
Britannia	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Burnley	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Cardiff	7.75	8.50	9.50	—
Catholic	7.50	●8.20	9.00	— ● 8.40 over £5,000
Chelsea	7.75	8.00	9.25	8.75 6 mths. not. £500 min. 8.50 3 mth.
Cheltenham and Gloucester	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Citizens Regency	7.75	8.30	9.50	9.55 4 yrs., 9.30 3 yrs., 9.05 2 yrs.
City of London	8.00	8.30	9.25	9.35 3 yrs. increment share min. £500
Coventry Economic	7.75	8.00	9.25	9.00 3 yrs. min., 8.50 3 mths. notice
Coventry Provident	7.75	8.00	10.00	9.50 4 yrs., 9.25 3 yrs., 8.75 2 yrs.
Derbyshire	7.75	8.00	9.25	8.50 up to 3 months notice
Ealing and Acton	7.75	8.50	—	9.15 2 yrs., £2,000 minimum sum
Gateway	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Greenwich	6.45	8.10	9.25	9.60 4 yrs., 9.10 3 yrs., 8.25 2 yrs.
Guardian	7.75	8.25	8.50	9.00 £1,000 3 months' notice
Halifax	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Heart of England	7.75	8.00	9.25	9.00 3 yrs., 8.50 3 months' notice
Hearts of Oak and Enfield	7.75	8.25	9.75	9.50 4 yrs., 9.00 2 yrs.
Hendon	8.00	8.50	—	9.00 6 months, minimum £2,000
Huddersfield and Bradford	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 mths.
Lambeth	7.75	8.30	9.75	9.00 3 months' notice, £250-£5,000
Leamington Spa	7.85	8.10	■10.97	8.85 2 years. ■3 years
Leeds Permanent	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Leicester	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.25 3 mths.
Liverpool	7.75	8.00	9.45	9.60 4/5 yrs., 8.60 2 yrs., min. £1,000
London Goldhawk	7.75	†8.50	†9.75	†9.25 2 yrs., †9.00 1 yr.
Melton Mowbray	7.85	8.10	9.25	8.85 2 yrs., minimum £2,000
Mornington	8.25	8.75	—	—
National Counties	8.00	8.30	9.30	9.40 6 mths., 8.75 3 mths., min. £1,000
Nationwide	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Newcastle Permanent	7.75	8.00	9.30	9.50 4 yrs., 9.30 3 yrs., 9.00 2 yrs.
New Cross	8.50	8.75	—	—
Northern Rock	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Norwich	7.75	8.00	9.50	9.00 3 yrs., 8.75 2 yrs., min. £500
Paddington	7.40	8.40	10.00	9.00 3 mths., 9.25 6 mths., min. £1,000
Peckham Mutual	8.00	8.50	—	—
Portman	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 3 mths.
Principality	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Progressive	8.00	8.25	9.25	9.50 4 yrs., 9.00 2 yrs., 8.75 3 months
Property Owners	7.75	8.50	9.75	9.00 3 months' notice
Provincial	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Skipton	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Sussex Mutual	7.75	8.35	10.00	9.30 3 yrs., 9.00 2 yrs., 8.75 1 yr.
Town and Country	7.75	8.00	10.00	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Walthamstow	7.75	8.10	9.20	9.60 4 yrs., 8.85 3 mths. not. min. £500
Woolwich	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.

* Rates normally variable in line with changes in ordinary share rates.

† Includes 0.25% Centenary Bonus throughout 1979.

All these rates are after basic rate tax liability has been settled on behalf of the investor.

CURRENCIES, MONEY AND GOLD

UK MONEY MARKET

Bank of England Minimum Lending Rate 12 per cent (since April 5, 1979)

The Treasury bill rate rose by 0.2252 per cent to 11.3802 per cent at Thursday's tender and the minimum accepted was £97.13½ compared with £97.18½ the previous week. Bids at that level were met as to about 7 per cent and all bills offered were allotted. The £300m bills on offer attracted bids of £808.99m against £972.64m previously. Next week a further £300m will be on offer, replacing a similar amount of maturities.

Day-to-day credit remained in short supply in the money market and the authorities gave an exceptionally large amount of assistance. This comprised very large purchases of Treasury bills and a small number of corporation bills, all direct from the discount houses. They also lent a moderate amount to five or six houses at MLR for repayment on Tuesday. Discount houses were paying around 12 per cent for secured call loans at the start but closing balances were taken as low as 3 per cent.

The market was faced with a fairly large increase in the note circulation as well as banks bringing forward balances a small way below target. There was also the repayment of a large amount of market advances. On the other hand Government disbursements, exceeded revenue transfers to the Exchequer by a small amount.

In the interbank market overnight loans opened at 12-12¼ per cent but fell soon after lunch to touch ⅛ per cent.

Rates in the table below are nominal in some cases.

EXCHANGES AND BULLION

Trading slowed down to a trickle in yesterday's foreign exchange market ahead of the long Easter weekend, and some centres ceased trading half way through the day. The U.S. dollar finished at around its best level for the day, prompted by the possibility of higher interest rates. Against the D-mark it closed at DM 1.9010 compared with DM 1.8930 and SwFr 1.7250 from SwFr 1.7140 in terms of the Swiss franc. The Japanese yen was sharply weaker in dollar terms and closed at Y215.30 against Y212.60 on Wednesday. On Bank of England figures, the dollar's trade weighted index rose from 85.3 to 85.7.

Sterling showed a firmer trend overall but lost ground against the dollar. Its trade weighted index finished at 67.5 from 67.3, having stood at 67.4 at noon and 67.3 in the morning. The pound opened at $2.0910 and eased to $2.0835 on dollar firmness before recovering to $2.0880 by noon. Further selling of sterling out of New York saw the rate decline to just below $2.0800 and sterling closed at $2.0805-2.0815, a fall of 60 points from Wednesday. News of a year on year increase of 9.8 per cent in the UK Retail Price Index prompted little reaction.

Gold lost $2¾ an ounce to close at $233¼-234 after easing close at $233¼-234 after easing sented a loss of $6 on the week. The Krugerrand's premium over its gold content narrowed to 8.61 per cent from 8.83 per cent for domestic delivery but widened to 3.48 per cent from 3.33 per cent in the international market.

OTHER MARKETS

Apr. 12	£	$		£ Note Rates
Argentina Peso	2449-2459	1175-1185	Austria	28½-29½
Australia Dollar	1.8785-1.8825	0.9025-0.9045	Belgium	63¼-64¼
Brazil Cruzeiro	47.19-48.19	22.65-23.15	Denmark	11.00-11.10
Finland Markka	8.33½-8.35½	3.9985-4.0005	France	9.05-9.15
Greek Drachma	76.856-78.725	36.95-37.65	Germany	3.90-4.00
Hong Kong Dollar	10.7880-10.8080	5.1600-5.1650	Italy	1,755-1,775
Iran Rial	149.85-156.05	72-75	Japan	445-455
Kuwait Dinar (KD)	0.572-0.582	0.2770-0.2771	Netherlands	4.25-4.35
Luxembourg Frc.	65.10-65.20	30.11-30.15	Norway	10.70-10.80
Malaysia Dollar	4.62-4.63¼	2.2155-2.2175	Portugal	96-102
New Zealand Dlr.	1.9785-1.9845	0.9505-0.9535	Spain	141-144
Saudi Arab. Riyal	6.99-7.09	3.3800-3.3820	Switzerland	3.55-3.65
Singapore Dollar	4.5880-4.6000	2.1980-2.1990	United States	2.0800-2.0900
Sth. African Rand	1.7625-1.7725	0.8470-0.8515	Yugoslavia	42-46½

Rate given for Argentina is free rate.

THE POUND SPOT AND FORWARD

April 12	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.0795-2.0920	2.0805-2.0815	0.23-0.13c pm	1.04	0.58-0.48 pm	1.02
Canada	2.3825-2.3960	2.3835-2.3845	0.25-0.15c pm	1.01	0.55-0.45 pm	0.84
Nethlnd.	4.27-4.30	4.27¾-4.28¾	2⅛-1⅛c pm	4.56	5-4 pm	4.20
Belgium	62.45-62.95	62.65-62.75	30-20c pm	4.78	70-60 pm	4.15
Denmark	10.98-11.01	10.98½-11.00½	2¼-¼ ore pm	1.38	2¼-¾ pm	0.64
Ireland	1.0320-1.0346	1.0320-1.0330	0.10-0.20p dis	−1.74	0.45-0.55dis	−1.84
W. Ger.	3.94-3.98	3.95¾-3.96¾	2⅞-1⅞pf pm	7.20	7-6 pm	6.57
Portugal	101.15-101.95	101.20-101.60	60-110c dis	−9.47	140-260 dis	−7.89
Spain	142.00-142.40	142.05-142.15	20c pm-30c dis	−0.42	25pm-75dis	−0.70
Italy	1,751-1,760	1,755-1,756	¾ lire pm-1¼ dis	−0.51	¾-2¼ dis	−0.40
Norway	10.67-10.73	10.67-10.68	3¼-1¼ ore pm	2.53	5¾-3¾ pm	1.78
France	9.05-9.11	9.08¾-9.09¾	3½-2½c pm	4.28	8½-8¼ pm	[illegible]
Sweden	9.12-9.17	9.12-9.14	3-1 ore pm	2.63	5¾-3¾ pm	2.08
Japan	444-450	447½-448½	3.00-2.65y pm	7.43	7.70-7.25 pm	[illegible]
Austria	28.95-29.10	29.02-29.07	20-10 gro pm	6.20	50-40 pm	6.20
Switz.	3.56½-3.60½	3.58¾-3.59¾	3¾-2¾c pm	10.86	10-9 pm	10.58

Belgium rate is for convertible francs. Financial franc 63.65-63.75. Six-month forward dollar 0.82-0.72c; 12-month 0.125-0.115c.

LONDON MONEY RATES

Apr. 12 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ●	Eligible Bank Bills ●	Fine Trade Bills ●
Overnight	—	⅛-12⅛	—	—	—	12⅛	3-12	—	—	—
2 days notice	—	—	12⅛-12¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	12-12¼	12⅛	—	12¼	12⅝	11¾-11⅞	—	—	—
One month	11⅞-11[illegible]	11[illegible]-11[illegible]	11⅞-12	11⅞-12⅛	12¼	12⅝	11¾	11[illegible]-11⅝	11⅞	12¼
Two months	11¾-11[illegible]	11⅝-11¾	—	11⅜-11¾	12⅛	—	11⅝	11⅜-11[illegible]	11[illegible]-11[illegible]	12⅛
Three months	11[illegible]-11[illegible]	11[illegible]-11[illegible]	11⅝-11⅞	10⅞-11¼	12	12⅛	11⅛	11⅜	11[illegible]	12
Six months	11⅛-11	11[illegible]-11[illegible]	11⅛	10⅝-10¾	11⅝	—	—	—	10[illegible]-10⅝	11¾
Nine months	10[illegible]-10[illegible]	11-11⅛	—	10⅞-11⅛	11⅛	—	—	—	—	—
One year	10¾-10⅝	10⅞-11	11	10¾-11	11⅝	—	—	—	—	—
Two years	—	—	11¼-11⅝	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. *Long-term local authority mortgage rates nominally three years 11½-11¾ per cent; four years 11¾-11⅞ per cent; five years 11¾-12 per cent. ●Bank bill rates in table are buying rates for prime paper. Buying rates for four month bank bills 10[illegible]-10[illegible] per cent; four month trade bills 11⅞ per cent.

Approximate selling rates for one-month Treasury bills 11¼-11[illegible] per cent; two-month 11⅛ per cent; three month 11[illegible]-11¼ per cent. Approximate selling rate for one-month bank bills 11¾ per cent; two-month 11[illegible]-11[illegible] per cent; and three-month 11¼ per cent; one-month trade bills 12½ per cent; two-month 12 per cent; and three-month 11⅞ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 13 per cent from April 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 9-9½ per cent. Clearing Bank Rates for lending 12 per cent. Treasury Bills: Average tender rates of discount 11.3802 per cent.

GOLD

	Apr. 12	Apr. 11
Gold Bullion (fine ounce)		
Close	$233¼-234 (£112.1-112.4)	$236-236¾ (£113.1-113.4)
Opening	$234¼-235 (£112.2-112.5)	$239-239¾ (£113.8-114.2)
Morning fixing	$233.75 (£111.738)	$239.10 (£113.875)
Afternoon fixing	$233.95 (£112.099)	$238.35 (£113.508)
Gold Coins, domestically		
Krugerrand	$251¾-255¾ (£121-123)	$255¼-259¼ (£122¾-124¾)
New Sovereigns	$65½-67½ (£31½-32½)	$66¾-68¾ (£32-33)
Old Sovereigns	$73¼-75¼ (£35¼-36¼)	$73¼-75¼ (£35-36)
Gold Coins, internationally		
Krugerrand	$240¾-242¾ (£115½-116½)	$243¼-245¼ (£116½-117½)
New Sovereigns	$61-63 (£29¼-30¼)	$62-63 (£29¾-30¾)
Old Sovereigns	$73¼-75¼ (£35¼-36¼)	$73¼-75¼ (£35-36)
$20 Eagles	$323½-328½	$317½-322½
$10 Eagles	$188-193	$182-187
$5 Eagles	$126-131	$120-125

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.45-10.55 per cent; three months 10.80-10.70 per cent; six months 10.80-10.90 per cent; one year 10.70-10.80 per cent.

Apr. 12	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	11⅞-12⅛	10⅛-10⅜	9½-10½	7-7¼	⅛-⅝	5-5⅛	7-7¼	12-13	—	3-3⅜
7 day's notice	11⅞-12⅛	10¼-10½	9½-10½	7-7¼	¾-⅞	5-5⅛	7-7¼	11¼-12¼	10⅜-10½	2[illegible]-4[illegible]
Month	11¾-11⅞	11-11¼	10¾-11⅛	6¾-7	[illegible]	5[illegible]-5[illegible]	7¼-7½	11½-12½	11⅛-11¼	4⅛-5[illegible]
Three months	11[illegible]-11[illegible]	10[illegible]-11[illegible]	10[illegible]-11[illegible]	7-7¼	[illegible]-1[illegible]	5[illegible]-5[illegible]	7⅞-8⅛	11¾-12¾	10[illegible]-10[illegible]	4⅞-5[illegible]
Six months	11[illegible]-11[illegible]	11-11¼	10¾-11⅛	7⅛-7⅜	1[illegible]-1[illegible]	5⅝-5½	8½-8¾	12½-13½	11[illegible]-11[illegible]	5[illegible]-5[illegible]
One year	10[illegible]-11[illegible]	10⅞-11⅛	10[illegible]-10[illegible]	7¼-7½	2[illegible]-2[illegible]	5[illegible]-5⅝	9-9¼	12¾-13¾	10[illegible]-11[illegible]	5⅞-6[illegible]

Long-term Eurodollar deposits: two years 10⅝-10⅞ per cent; three years 10⅝-10⅞ per cent; four years 10[illegible]-10[illegible] per cent; five years 10-10¼ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-day call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

U.K. CONVERTIBLE STOCKS 12/4/79

Statistics provided by data STREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.▽	Cheap(+) Dear(−)◇ Current
Associated Paper 9½pc Cv. 85-90	1.06	118.00	200.0	76-80	8.2	6.4	− 5.6	−10 to 1	10.8	9.0	− 1.5	+ 4.1
Bank of Ireland 10pc Cv. 91-96	1.20	180.00	47.6	77-80	5.6	2.3	− 6.7	− 8 to 1	0.0	9.2	4.8	+11.5
British Land 12pc Cv. 2002	7.71	263.00	333.3	80-97	4.6	2.6	1.2	−10 to 15	0.0	89.0	34.2	+33.1
English Property 6½pc Cv. 98-03	7.84	139.00	234.0	76-80	4.8	3.8	− 0.2	− 6 to 2	11.6	8.3	− 3.8	− 3.7
English Property 12pc Cv. 00-05	15.31	104.00	150.0	76-84	12.2	12.2	18.5	4 to 49	27.1	46.8	22.2	+ 5.6
Hanson Trust 6½pc Cv. 88-93	4.51	92.00	37.1	76-80	7.1	7.4	− 1.8	−10 to 0	6.2	3.1	− 3.3	− 1.5
Slough Estates 10pc Cv. 87-90	5.50	220.00	125.0	78-87	4.6		2.9	3 to 11	35.4	52.8	8.1	+ 5.2
Thorn Electrical 5pc Cv. 90-94	4.19	127.00	29.1	75-80	4.0	2.4	− 3.4	− 6 to 2	8.9	6.9	− 1.6	+ 1.8
Tozer, Kemsley 8pc Cv. 1981	0.78	87.00	153.9	74-79	9.2	14.0	6.7	7 to 35	5.2	0.0	− 6.4	−13.1
Ultramar 7pc net R.Cv.Pfd.	14.97	1.62	0.5	76-82	6.5	3.0	− 2.3	− 2 to 13	0.0	26.4	15.9	+18.2
Wilkinson Match 10pc Cv. 83-98	11.10	93.00	40.0	76-83	11.1	11.2	27.0	21 to 38	26.7	35.4	11.9	−15.1

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ▽ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

Equities maintain rising trend and 30-share closes at 1978/79 peak—New Government stock heavily traded

Account Dealing Dates

*First Dealings	Declarations	Last Dealings	Account Day
Mar. 26	Apr. 5	Apr. 6	Apr. 18
Apr. 9	Apr. 19	Apr. 20	May 7
Apr. 23	May 3	May 4	May 15

* "New time" dealings may take place from 9.30 am two business days earlier.

Equity markets moved higher for the fourth successive day although business on Thursday was subdued in front of the long Easter holiday. Government stocks were less positive, however, despite the retail price indices affording some relief about the rate of inflation after the fears aroused late on Wednesday by the Price Commission's indication that a double-figure rate was in prospect.

The new Government stock Exchequer 11 per cent 1991 (£15-paid), which was oversubscribed on application, was heavily traded in first-time dealings and enlivened a generally drab scene. Early buyers secured stock at a small discount following a fair weight of stag selling before the price rallied from £14¼ to £15¼. Other mediums regained opening losses to close unchanged or slightly firmer on balance.

Longer maturities were more resilient and settled with gains extending to ⅝, as in the ultra-long Exchequer 12 per cent 2013-17, at 108¼. Steady conditions prevailed among the shorts which initially registered falls ranging to ⅜ but rallied to end on a mixed note, despite being overshadowed to some extent by the activity in the new stock.

A small public interest coupled with the occasional institutional inquiry helped to extend the upturn in the equity sections where most of the features were again confined to secondary issues. Leading shares generally managed minor improvements and this was recognised in the FT 30-share index which rose 3.2 to a 1978-79 closing peak of 541.9; at the first calculation following the Government's censure motion defeat on March 28, the index jumped to its highest-ever inter-day level of 557.8.

Fresh demand in the wake of the easier sterling exchange rate took the investment currency premium up to 56 per cent, but at this level sellers became more active and the premium reacted to close a point down on balance at 53¾ per cent. Yesterday's SE conversion factor was 0.8084 (0.8079).

Recent demand for Traded options fell away and a total of 1,433 contracts were completed against the previous day's 2,256; the short week's daily average was 1,646. Cons Gold Fields were again the most active counter, attracting 210 trades, while Grand Metropolitan, 176, and EMI, 164, were also lively.

Comment on the better-than-expected results helped Eagle Star improved 4 more for a two-day advance of 11 to 168p. Commercial Union added 5 to 175p and Sun Alliance 10 to 604p, but London United Investments, results due on April 23, relinquished 4 at 179p. Still drawing strength from the excellent results and share-slimming proposals, Hambro Life firmed 10 more to a 1979 peak of 610p, making a jump on the week of 95. Equity and Law added 4 to 236p, as did Pearl, to 288p.

With the exception of Lloyds, which lost 7 to 333p, the major clearing banks closed unaltered.

Among Chemicals, a reasonable turnover developed in ICI which ended a few pence dearer at 399p, but Fisons fell 13 to 300p following a downward revision in profit estimates by analysts. Revived demand lifted Leigh Interests 7 to 122p.

Secondary issues provided the main focal points in Stores. Speculative buying in a thin market lifted Bakers Household 12 to 93p, while Ladies Pride Outerwear advanced 9 to 67p for a similar reason. Support ahead of the results due on May 16 prompted a rise of 18 to 245p in Foster Bros. and Wallis added 12 to 112p on an investment recommendation. Excalibur Jewellery fell 4 to 18p on the announcement that bid talks with an unnamed concern have been terminated, while Bambers encountered further profit-taking and finished 15 down at 270p. Of the leaders, F. W. Woolworth hardened 1½ more for a rise on the week of 12½ to 86½p on news that its American parent had rejected Brascan's projected bid. Still reflecting disappointing results, W. H. Smith A cheapened a penny more to 173p for a fall on the week of 31.

Interest in the Electrical sector was at a fairly low ebb, but Thorn, up 9 at 459p, and GEC, 10 higher at 425p, were relatively lively. Assisted by Press mention EMI met support and improved 6 to 130p. Secondary issues recorded scattered improvements; Electrocomponents put on 8 to 420p and Eurotherm gained 4 more to 330p while in smaller-priced issues, Bulgin "A" advanced 4 to 38p. Dealings were temporarily suspended in Crellon Holdings at 13½p: the company announced on Thursday afternoon that a receiver had been appointed to its subsidiary, Superlamp Metallic.

The Engineering leaders closed on a firm note. Sporadic demand lifted Vickers 5 to 194p and John Brown 6 to 585p, while Tubes edged up to close 8 firmer at 412p. Among secondary issues, Babcock and Wilcox continued to benefit from the results with a further rise of 7 to 174p, while buying ahead of next Wednesday's preliminary results lifted Wadkin 9 to 172p. M. Mole responded to Press mention with a rise of 2½ to 39½p. Staveley, 324p, and English Card Clothing, 118p, were also noteworthy for rises of 8 and 9 respectively. Whessoe also encountered support and put on 6 to 123p.

Speculative counters among Foods found support with Spillers closing 1½ to the good at 49½p, while Robertson added 7 to 155p. J. Bibby jumped 15 to 390p following the annual report and on prospects of an increased dividend. J. E. England, on the other hand, came under further pressure following Wednesday's poor profits and shed 4 for a two-day loss of 8 at 23p.

A dull market recently following concern over possible non-renewal of some of its London casino licences, Ladbroke rallied 3 to 224p. Speculative demand lifted Reo Stakis 2½ to 53½p, while De Vere rose 7 to 237p.

Miscellaneous Industrial leaders plotted an irregular course in thin trading. Still reflecting the disappointing interim results Glaxo eased 2 to 515p for a fall on the week of 45. Suits improved 3 to 196p on the announcement that its independent directors are to oppose the increased offer from Lonrho. Elsewhere, Philip Harris advanced 6 to 146p on revived speculative demand in a thin market and A. Arenson gained 4 to 124p on buying ahead of Tuesday's interim results. Morgan Crucible rose 5 to 123p and Magnolia added 10 to 262p. Second thoughts about the results helped Lead Industries pick up 9 to 160p after Wednesday's loss of 3, but profit-taking brought about a reaction of 5 to 120p in Clement Clarke.

Coral's record profits failed to meet market expectations and the shares dipped to 121p before closing a net penny lower at 124p. Pleasurama rose 6 to 135p, while Barr and Wallace "A" firmed 6 to 160p.

Against the generally quiet market trend, Motors and kindred issues attracted a high level of demand centred on Garages and Distributors. Ahead of results due soon, T. C. Harrison, 140p, and Harold Perry, 178p, advanced around 6, the latter for a rise on the week of 28. Talk of dividend potential lifted Hanger Investments 12 to 81p, while Lex, 106½p, and F. G. Gates, 71p, both firmed 4. Hartwells were also wanted and put on 6 to 137p. Plaxtons remained firm, adding 7 to the previous day's rise of 9 to finish at 167p. Among Components, Lucas found institutional support and firmed 10 to 295p, while Dowty improved 8 to 311p. In contrast, the company's bearish statement on future trading depressed Automotive Products which, despite the improved profits, slipped 2½ to 85p.

Properties encountered occasional support and generally closed firmer. Buying ahead of the results helped Clarke Nickolls and Coombes put on 7 to 92p, while rises of 5 and 9 respectively were recorded in Property Securities, 177p, and Bernard Sunley, 333p. Bellway cheapened 3 to 107p following comment on the interim results and reorganisation proposals.

Quiet conditions persisted in the Oil share market. British Petroleum drifted off to close 6 cheaper at 1,200p, while Shell, 2 off at 748p, failed to benefit from news that the Price Commission had allowed the company's intended oil price increases in full. Outside the leaders, Press mention lifted Clyde Petroleum 6 to 160p.

Trusts continued to make progress. Among the noteworthy movements, Triplevest Capital advanced 12 to 192p following the preliminary results.

Among Shippings, Reardon issues were firm, the ordinary improving 5 to 78p and the "A" a penny to 40½p.

Carpets International featured idle Textiles with a spurt of 11 to 71p on the record profits and increased dividend. Elsewhere, Small and Tidmas continued to benefit from good results and rose 6 for a gain on the week of 19 to 94p. J. Beales eased a couple of pence to 63p following small selling in a limited market.

Buying based on the premise that group earnings are unaffected by the rise in sterling, Imperial came in for institutional support and put on 1½ to record a week's rise of 7 at 108p.

A further fall in the bullion price, $2.75 lower at $233.65 an ounce for a week's loss of $6, following bearish Press comment in the U.S., caused widespread and heavy falls in Golds.

Persistent and substantial overnight American selling carried over into Thursday and prices fell away throughout the day until modest bear covering and cheap buying took quotations a fraction off their lows.

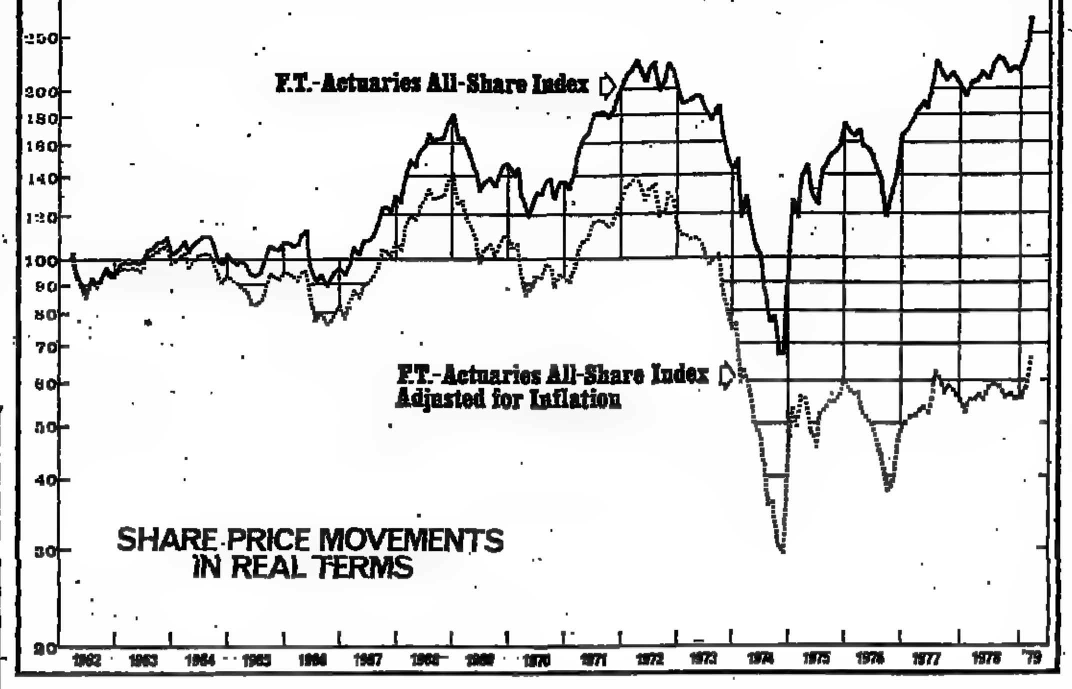
The Gold Mines index dropped 10.1 to 134.1—its lowest since December 18 and a week's loss of 12.2—while the ex-premium index fell 8.1 to 108.4.

Among the heavyweights, Randfontein gave up £2 to £23, while West Driefontein, £17¾, Vaal Reefs, £12¾, and Western Holdings, £16, all sustained declines of a point or more.

South African Financials mirrored Golds although selling was on a much smaller scale. "Amgold" dropped almost a point to a 1979 low of £14¾ and "Johnnies" ¼ to £15.

In London-registered Financials, Gold Fields held up well to close only a penny cheaper at 232p reflecting the continued high level of activity in the options and despite the heavy losses sustained by gold shares. Other London issues moved narrowly.

Platinums lost ground in line with the free market platinum price. Rustenburg dropped 12 to 125p despite the sharply improved profits, while Impala gave up 9 to 174p and Lydenburg 7 to 80p. Australians were mixed in quiet trading. Uraniums were again unsettled by the Harrisburg nuclear power plant accident.



SHARE PRICE MOVEMENTS IN REAL TERMS

FINANCIAL TIMES STOCK INDICES

	April 12	April 11	April 10	April 9	April 6	April 5	A year ago
Government Secs.	75.84	75.80	75.80	75.32	75.06	74.77	71.53
Fixed Interest	77.26	77.11	76.79	76.58	76.51	76.19	76.31
Industrial	541.9	538.7	535.7	531.4	525.3	532.7	458.9
Gold Mines	134.1	144.2	144.1	146.4	146.3	147.8	160.9
Gold Mines (Ex-$ pm)	108.4	116.5	117.9	118.9	120.3	120.9	102.7
Ord. Div. Yield	5.35	5.38	5.40	5.42	5.46	5.33	5.95
Earnings Yld. % (full)	14.31	14.22	14.28	14.38	14.49	14.16	17.38
P/E Ratio (net) (*)	9.00	8.95	8.91	8.85	8.78	9.00	7.94
Dealings marked	4,399	4,495	4,834	5,024	7,182	5,466	5,880
Equity turnover £m.	—	97.67	93.62	105.51	148.58	158.74	80.47
Equity bargains total	—	13,456	16,902	21,900	27,579	30,714	14,785

10 am 541.8. 11 am 541.7. Noon 541.7. 1 pm 541.4. 2pm 541.4. 3 pm 541.5.
Latest Index 01-246 8026.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex-$ premium index started June, 1972. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1979 High	1979 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.84 (12/4)	64.64 (8/2)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.26 (12/4)	66.03 (15/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	541.9 (12/4)	446.1 (12/2)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	183.8 (6/2)	134.1 (12/4)	442.3 (22/5/75)	43.5 (28/10/71)
Gold Mines (Ex-$ pm)	125.6 (26/3)	95.2 (12/1)	337.1 (3/4/74)	54.3 (25/6/75)

S.E. ACTIVITY

	April 12	April 11
—Daily—		
Gilt Edged	94.1	91.3
Industrials	165.6	169.7
Speculative	30.3	29.7
Totals	100.1	102.3
5-d'y Av'r'ge		
Gilt Edged	101.7	102.2
Industrials	197.5	204.5
Speculative	31.8	30.8
Totals	118.1	123.3

LONDON TRADED OPTIONS

Option	Ex'rc'se price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	1100	102	5	190	—	206	—	1201p
BP	1150	53	2	146	—	170	—	"
BP	1200	16	2	108	—	140	—	"
Com. Union	160	14	30	26	29	29	—	175p
Com. Union	180	1	50	14	17	20	10	"
Cons. Gold	160	75	—	78	18	—	—	232p
Cons. Gold	180	53	...	58	51	65	5	"
Cons. Gold	200	35	35	42	25	50	—	"
Cons. Gold	220	15	25	28	72	37	2	"
Courtaulds	110	½	—	8½	1	10½	—	103p
Courtaulds	120	¼	—	4½	5	6½	—	"
Courtaulds	130	¼	—	2	10	—	7	"
GEC	280	142	5	—	—	—	—	420p
GEC	330	92	—	120	—	129	10	"
GEC	390	32	3	66	...	80	—	"
GEC	420	5½	10	46	23	60	5	"
Grand Met.	130	40½	1	49	—	49½	—	170p
Grand Met.	140	30½	—	40	75	41	—	"
Grand Met.	160	10½	27	27	7	29	26	"
Grand Met.	180	—	—	16	24	21½	16	"
ICI	360	40	1	53	—	64	—	399p
ICI	390	10	5	33	6	44	—	"
ICI	420	½	—	17	26	28	—	"
Land Secs	260	43	3	52	—	58	—	302p
Land Secs	280	23	—	43	46	55	—	"
Land Secs	300	6½	20	29	46	40	2	"
Marks & Sp	70	51	2	55	1	—	—	121p
Marks & Sp	80	41	1	46	—	49	—	"
Marks & Sp	90	31	1	38	—	40	—	"
Marks & Sp	100	21	2	30	13	31	—	"
Marks & Sp	110	11	22	21	16	24	—	"
Marks & Sp	120	4	59	16	42	19	1	"
Shell	600	160	—	205	25	227	—	749p
Shell	650	100	—	155	5	180	—	"
Shell	700	50	9	118	14	137	—	"
Shell	750	7	2	72	-	86	14	"
Shell	800	2	4	40	30	65	—	"
Totals			312		609		98	
		May		August		November		
BOC Intl.	70	6	10	11	26	14	...	74p
BOC Intl.	80	2½	10	6½	—	7½	—	"
Boots	260	5	41	—	—	—	—	230p
EMI	110	21	20	29	—	34	—	128p
EMI	120	14	24	23	—	28	—	"
EMI	130	6½	31	18	60	24	—	"
EMI	140	4½	—	11	9	19	—	"
EMI	160	1¼	—	6	20	—	—	"
ImperialGp	80	30	—	33½	1	34	—	108p
ImperialGp	90	20½	—	24	1	25	—	"
ImperialGp	100	12½	1	15	3	17	—	"
ImperialGp	110	6	16	10½	52	12	2	"
RTZ	280	35	26	52	—	69	—	308p
RTZ	300	20	19	45	—	56	—	"
RTZ	330	10	27	28	10	41	8	"
Totals			225		181		10	

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979 high	1979 low
BP	£1	11	1200	−6	1206	882
Barclays Bank	£1	10	480	—	482	360
Grand Met.	50p	9	170	—	170½	112
Lloyds Bank	£1	9	333	−7	358	272
ICI	£1	8	399	+2	406	346
Woolwth. (F. W.)	25p	8	86½	+1½	87	62
GEC	25p	7	425	+10	433	311
Glaxo	50p	7	515	−2	600	462
BAT Inds.	25p	6	315	−1	362	260
BICC	50p	6	150	+2	150	113
Boots	25p	6	231	+1	231	184
Hawker Siddeley	25p	6	260	—	278	194
Imperial Group	25p	6	108	+1½	108	82
Racal Electronics	25p	6	485	−2	492	337
Shell Transport	25p	6	748	−2	778	556

The above list of active stocks is based on the number of bargains recorded yesterday in the Official List and under Rule 163(1) (e) and reproduced today in Stock Exchange dealings.

THURSDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1979 high	1979 low
BP	£1	50	1200	+10	1206	882
Shell Transport	25p	46	748	—	778	556
Glaxo	50p	45	515	−45	600	462
Guthrie Corp.	£1	41	523	−17	547	320
Grand Met.	50p	38	170	+9	170½	112
ICI	£1	38	399	+7	406	346
GEC	25p	36	425	+22	433	311
Tricentrol	25p	36	228	+34	228	148
Barclays Bank	£1	33	480	+15	482	360
BATs Defd.	25p	31	300	+2	337	250
Woolwth. (F. W.)	25p	31	86½	+12½	87	62
Beecham	25p	29	693	—	755	592
Cons. Gold Fields	25p	29	232	+12	233	178
Ladbroke	10p	28	234	−2	243	167
Royal Insurance	25p	28	427	+15	440	325

BASE LENDING RATES

A.B.N. Bank	12 %	■ Hill Samuel	§12 %
Allied Irish Banks Ltd.	12 %	C. Hoare & Co.	†12 %
Amro Bank	12 %	Julian S. Hodge	13 %
American Express Bk.	12 %	Hongkong & Shanghai	12 %
A P Bank Ltd.	12 %	Industrial Bk. of Scot.	12½ %
Henry Ansbacher	12 %	Keyser Ullmann	12 %
Associates Cap. Corp.	14 %	Knowsley & Co. Ltd.	13½ %
Banco de Bilbao	12 %	Lloyds Bank	12 %
Bank of Credit & Cmce.	12 %	London Mercantile	12 %
Bank of Cyprus	12 %	Edward Manson & Co.	13 %
Bank of N.S.W.	12 %	Midland Bank	12 %
Banque Belge Ltd.	12 %	■ Samuel Montagu	12 %
Banque du Rhone et de la Tamise S.A.	12½ %	■ Morgan Grenfell	12 %
Barclays Bank	12 %	National Westminster	12 %
Bremar Holdings Ltd.	13 %	Norwich General Trust	12 %
Brit. Bank of Mid. East	12 %	P. S. Refson & Co.	12 %
■ Brown Shipley	12 %	Rossminster	12 %
Canada Perm't Trust	12 %	Royal Bk. Canada Tst.	12 %
Cayzer Ltd.	12 %	Schlesinger Limited	12 %
Cedar Holdings	12 %	E. S. Schwab	13 %
■ Charterhouse Japhet	12½ %	Security Trust Co. Ltd.	13 %
Choulartons	12 %	Shenley Trust	15 %
C. E. Coates	12 %	Standard Chartered	12 %
Consolidated Credits	13 %	Trade Dev. Bank	12 %
Co-operative Bank	*12 %	Trustee Savings Bank	12 %
Credit Lyonnais	12 %	Twentieth Century Bk.	13 %
The Cyprus Popular Bk.	12 %	United Bank of Kuwait	12 %
Duncan Lawrie	12 %	Whiteaway Laidlaw	12½ %
Eagil Trust	12 %	Williams & Glyn's	12 %
English Transcont.	12½ %	Yorkshire Bank	12 %
First Nat. Fin. Corp.	15 %		
First Nat. Secs. Ltd.	14 %		
■ Antony Gibbs	12 %		
Greyhound Guaranty	12 %		
Grindlays Bank	‡12 %		
■ Guinness Mahon	12 %		
■ Hambros Bank	12 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 9½%, 1-month deposits 9¾%.
† 7-day deposits on sums of £10,000 and under 9½%, up to £25,000 10% and over £25,000 10¼%.
‡ Call deposits over £1,000 9½%.
§ Demand deposits 9½%.

RISES AND FALLS

	Thursday Up	Thursday Down	Thursday Same	On the week Up	On the week Down	On the week Same
British Funds	60	8	34	193	16	119
Corpns. Dom. and Foreign Bonds	10	9	45	62	19	175
Industrials	493	159	865	1,921	882	3,265
Financial and Prop.	200	32	277	872	167	997
Oils	15	9	14	59	25	68
Plantation	4	4	24	29	31	89
Mines	17	73	50	137	181	242
Recent Issues	8	3	25	28	23	83
Totals	787	297	1,334	3,301	1,344	5,027

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr. 3	Apr. 17	Jun. 28	Jul. 10
Apr. 18	Apr. 30	Jul. 12	Jul. 24
May 1	May 14	Jul. 26	Aug. 7

For rate indications see end of Share Information Service.

Stocks dealt in for the call included Charterhall, Pleasurama, Town and City, Premier Oil, Oil Exploration, UDT, EMI, M. P. Kent, Talbex, Rothmans, Christopher Moran, Hambros Bank, Woolworths, Spillers, Tricentrol, Peachey, Mountview Estates, W. E. Norton, Scottish and Newcastle, Lex Warrants, Leyland Paint, KCA, Lonrho, British Land, Grand Metropolitan, Tesco, Whitbread, GKN and Electronic Machine. A put was reported in Ladbroke, while doubles were arranged in Charterhall, Cons. Gold Fields, Town and City and Morris and Blakey.

RECENT ISSUES

EQUITIES

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p:	+ or −	Div. P. or Amount	Times Covered	Gross Yield	P.E. Ratio
95	F.P.	—	194	160	‡‡Appl. Computer	175		0.7	11.0	0.6	21.5
65	F.P.	20/2	174	68	Caledonian Hldgs.	171		‡7.5	1.6	6.4	14.6
‡‡	F.P.	16/2	170	118	Hunting Assoc. Defd.	162		—	—	—	—
‡‡	F.P.	9/2	44	31	M. Y. Dart Defd	44		—	—	—	—
95**	F.P.	20/4	122	97	Sedgwick F. New 10p	110	−2	T5.0	2.1	6.8	10.5

FIXED INTEREST STOCKS

Issue Price £	Am'ount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price £	+ or −
99¾	F.P.	—	99¾	99¾	Cleveland (County of) Var. Rate 1984	99¾	
‡‡	—	—	52½	52½	Eng. Assoc. Sterling Fd. Part. Red. Prf.	52½	
100	F.P.	4/5	106p	103p	Grant (James) 10½% Pref.	106p	
[illegible]					[illegible]		

"RIGHTS" OFFERS

Issue Price p:	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p:	+ or −
200c	[illegible]				Abercom Invs.		
12	[illegible]				Armour Trust		
115	[illegible]				[illegible]		
60	[illegible]				Buroo Dean		
88	[illegible]				Cement Roadstone		
20	[illegible]				[illegible]		
33	[illegible]				Hirst & Mallinson		
185	[illegible]				Johnson Matthey		
67	[illegible]				Macpherson (D.)		
5p	[illegible]				Maddock		
34	[illegible]				Norfolk Cap. Hotels		
44	[illegible]				Park Place Invs.		
225	[illegible]				Rank Org.		
59	[illegible]				Redman Heenan		
27	[illegible]				Sekers Intl.		
20	[illegible]				Single Holdings		
100	[illegible]				Unicorn Inds.		

Renunciation date usually last day for dealing free of stamp duty. [illegible]

NEW HIGHS AND LOWS FOR 1979

The following securities quoted in the Share Information Service Thursday attained new Highs and Lows for 1979.

NEW HIGHS (250)

BRITISH FUNDS (8)
CORPORATION LOANS (2)
COMMONWLTH. & AFRICAN LOANS (4)
FOREIGN BONDS (1)
BANKS (5)
BEERS (7)
BUILDINGS (14)
CHEMICALS (2)
DRAPERY & STORES (16)
ELECTRICALS (17)
ENGINEERING (22)
FOODS (8)
HOTELS (4)
INDUSTRIALS (30)
INSURANCE (3)
LEISURE (8)
MOTORS (18)
NEWSPAPERS (4)
PAPER & PRINTING (3)
PROPERTY (14)
SHIPPING (2)
TEXTILES (8)
TOBACCOS (1)
TRUSTS (46)
OILS (8)
OVERSEAS TRADERS (2)
RUBBERS (2)

NEW LOWS (36)

FOREIGN BONDS (1)
Japan 4pc '10 Ass.
AMERICANS (7)
ASA; I.B.M. Corp.; Amax; Richardson Merrell; City Inv.; Sperry Rand; Honeywell
CHEMICALS (1)
Thurgar Bardex
INDUSTRIALS (5)
Maddock; Wheelock Marden; Talbex; Wood (A.); Walker & Homer
PROPERTY (1)
HK Land
TEXTILES (1)
Beales (J.)
MINES (20)
East Rand Prop.; Western Deep; Randfontein Ests.; Zandpan; Bracken; Harmony; E.R.G.O.; President Brand; Blyvoor; President Steyn; Buffels; St. Helena; East Drie.; Anglo American Gold; Vaal Reefs; Pancontinental; West Drie.; Peko-Wallsend; Western Areas; Ayer Hitam

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS

Figures in parentheses show number of stocks per section

	Equity groups & sub-sections	Thurs., April 12, 1979 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 33%)	Est. P/E Ratio (Net)	Wed. April 11 Index No.	Tues. April 10 Index No.	Mon. April 9 Index No.	Fri. April 6 Index No.	Year ago (approx.) Index No.	1979 High	1979 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (172)	275.54	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	Building Materials (27)	259.13	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Contracting, Construction (28)	418.84	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Electricals (14)	673.90	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	Engineering Contractors (12)	401.40	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	Mechanical Engineering (75)	204.10	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8	Metals and Metal Forming (16)	181.07	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	CONSUMER GOODS														
11	(DURABLE) (53)	250.68	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
12	Lt. Electronics, Radio, TV (16)	341.69	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13	Household Goods (12)	176.26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
14	Motors and Distributors (25)	128.31	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	CONSUMER GOODS														
21	(NON-DURABLE) (170)	257.46	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
22	Breweries (14)	295.01	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
23	Wines and Spirits (6)	333.17	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
24	Entertainment, Catering (17)	361.83	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
25	Food Manufacturing (19)	226.11	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
26	Food Retailing (15)	303.07	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
32	Newspapers, Publishing (12)	464.50	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
33	Packaging and Paper (15)	150.37	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
34	Stores (40)	258.65	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
35	Textiles (25)	179.05	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
36	Tobaccos (3)	232.13	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
37	Toys and Games (6)	95.70	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
41	OTHER GROUPS (99)	223.50	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
42	Chemicals (18)	312.62	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
43	Pharmaceutical Products (7)	262.66	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
44	Office Equipment (6)	149.26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
45	Shipping (10)	439.70	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
46	Miscellaneous (58)	255.94	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
49	INDUSTRIAL GROUP (494)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
51	Oils (6)	670.58	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
59	500 SHARE INDEX	294.51	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
61	FINANCIAL GROUP (115)	208.07	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
62	Banks (6)	247.26	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
63	Discount Houses (10)	268.28	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
64	Hire Purchase (5)	191.65	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
65	Insurance (Life) (10)	175.20	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66	Insurance (Composite) (8)	147.96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
67	Insurance Brokers (10)	327.75	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
68	Merchant Banks (14)	98.02	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
69	Property (42)	349.81	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
70	Miscellaneous (10)	124.93	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
71	Investment Trusts (111)	237.31	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
81	Mining Finance (4)	131.87	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91	Overseas Traders (20)	349.83	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99	ALL-SHARE INDEX (750)	270.25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST PRICE INDICES

	British Government	Thurs. April 12	Day's change %	xd adj. today	xd adj. 1979 to date
1	Under 5 years	108.36	+0.12	—	[illegible]
2	5-15 years	124.78	+0.02	—	[illegible]
3	Over 15 years	130.20	+0.14	—	[illegible]
4	Irredeemables	142.57	−0.21	—	[illegible]
5	All stocks	120.04	+0.10	—	[illegible]

	FIXED INTEREST YIELDS Br. Govt. Av. Gross Red.		Thurs. April 12	Wed. April 11	Year ago (approx.)	1979 Highs	1979 Lows
1	Low Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Medium Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	High Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

	Fri., April 6 Index	Yield	Thur. April 5	Wed. April 4	Tues. April 3	Mon. April 2	Fri. Mar. 30	Thur. Mar. 29	Wed. Mar. 28	Year ago (approx.)	1979 Highs	1979 Lows	Since Compilation Highs	Since Compilation Lows
15 20-yr. Red. Deb. & Loans (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
16 Investment Trust Prefs. (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
17 Coml. and Indl. Prefs. (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Equity Section or Group	Base Date	Base Value	Equity Section or Group	Base Date	Base Value
Pharmaceutical Products	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Wines and Spirits	16/1/70	128.20	[illegible]		
Toys and Games	16/1/70	135.72			
Office Equipment	16/1/70	128.20			
Industrial Group	31/12/70	128.20			
Miscellaneous Financial	31/12/70	128.06			
Food Manufacturing	29/12/67	114.13			

[illegible] of the indices, is obtainable from FT Business Enterprises, 10, Bolt Court, London, EC4 [illegible]

CONSTITUENT CHANGE: [illegible]

[illegible]

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Abbey Gilt Int. Tst.	111.2	117.0	+0.1	3.2
Abbey Capital	40.0	42.6	+0.9	4.01
Abbey Income	47.4	50.4	+0.5	6.09
Abbey Inv. Tst. Fd.	40.5	43.1	+0.3	4.46
Abbey Gen. Tst.	54.6	58.1	+0.5	4.01
Equitas Prog. Tst.	74.3	78.4	+0.4	4.31

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt & Pref.	98.3	103.5	+0.5	12.63

Allied Hambro Group (a) (g)
Hambro Hse., Hutton, Brentwood, Essex. 01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	78.9	84.4	+0.4	4.93
Brit. Inds. Fund	78.0	83.5	+0.9	4.79
Grth. & Inc.	44.1	47.2	+0.4	4.66
Elect. & Ind. Dev.	41.5	44.4	+0.4	4.19
Allied Capital	82.2	88.0	+0.7	4.11
Hambro Fund	128.4	137.4	+1.0	4.72
Hambro Acc. Fd.	147.9	158.2	+1.4	4.15
Income Funds				
High Yield Fd.	81.4	87.1	+0.4	7.46
High Income	75.8	81.1	+0.7	6.54
A. H. Eq. Inc.	45.2	48.4	+0.5	6.61
International Funds				
International	25.9	27.7	.....	2.90
Pacific Fund	38.7	41.4	+0.1	2.15
Secs. Of America	55.0	58.9	-0.3	1.95
Specialist Funds				
Smaller Co.'s Fd.	47.8	51.1	+0.2	3.72
2nd Smlr. Co's Fd.	58.9	63.0	+0.6	3.97
Recovery Sits.	115.8	123.9	+1.3	4.44
Met. Min. & Cmdy.	48.2	51.6	.....	4.44
Overseas Earnings	67.2	71.9	+0.6	4.03
Exempt Funds				
Far East Exempt	44.8	46.4	-0.1	2.15
Smaller Co. Exempt	74.8	78.5	+0.2	4.14
U.S.A. Exempt	96.7	100.1	-0.7	2.19

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 623 9231

Anderson U.T.	56.3	60.6	.....	4.58

Ansbacher Unit Mgmt. Co. Ltd.
1, Noble St., EC2V 7JA. 01-623 6376

Inc. Monthly Fund	180.0	190.0	.....	9.3

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London, EC4R 1BY. 01-236 5281

**High Yield	47.1	50.8	+0.1	10.68
**(Accum. Units)	71.1	76.7	+0.3	10.68
Extra Income Fd.	117.8	128.1	+1.0	10.09
High Inc. Fund	43.7	47.1	+0.2	8.79
§(Accum. Units)	63.0	68.0	+0.2	8.79
(8½% W'drwl. Uts.)	57.8	62.4	+0.2	8.79

[illegible]

Friends' Provdt. Unit Tst. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Uts.	52.0	55.4	+0.5	4.32
Do. Accum.	68.6	73.3	+0.7	4.32

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital April 11	112.2	114.7	-2.9	4.37
Gross Income Apr. 11	87.5	87.6	+0.1	8.22
High Yield April 11	96.8	98.7	-0.2	8.51

*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16 Finsbury Circus, EC2M 7DD 01-628 8131

G.T. Cap. Inc.	106.4	113.1	.....	2.70
Do. Acc.	130.5	138.8	.....	2.70
G.T. Inc. Fd. Un.	179.8	191.2	.....	8.30
G.T. U.S. & Gen.	127.9	136.0	.....	3.10
G.T. Japan & Gen.	81.2	86.3	.....	2.10
♦Gt. Pens. Ex. Fd.	207.1	217.4	.....	2.90
G.T. Int'l. Fund	151.7	161.3	.....	1.70
G.T. Four Yds. Fd.	61.7	65.6	.....	7.80
G.T. Far East & Gen.	45.1	48.4	.....	2.20

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood. (0277) 227300

G. & A.	39.5	42.2	+0.4	4.36

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP. 01-283 3531
Dealing only: 01-623 5766/5806

American Tst.	24.7	26.6	-0.1	0.49
British Tst. (Acc.)	65.9	70.9	+0.4	3.43
Commodity Share	177.7	191.2	-0.1	3.47
Extra Income Tst.	27.8	29.9	+0.2	7.56
Far East Trust	33.2	35.7	.....	0.24
High Income Tst.	66.8	71.8	+0.3	8.36
Income Fund	86.6	93.1	+0.3	6.12
Ins. Agencies	15.67	16.62	+0.06	3.73
Intl. Exempt Fd.	102.4	111.6	+1.6	6.08
Intl. Tst. (Acc.)	31.8	34.2	+0.1	0.76

Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)
3 Frederick's Pl., Old Jewry, EC2 01-588 4111

Extra Income	32.7	35.2	+0.2	9.00
Income	48.3	51.9	+0.2	7.80
Accumulation	77.6	84.4	+0.7	4.60
Growth	45.9	49.9	+0.5	4.80
Capital	51.4	55.9	+0.8	3.50
Small Co's	46.7	50.7	+0.1	4.00
Technology	70.6	76.8	-1.0	4.90
Private	44.7	48.6	+0.3	4.20
Intl. Ems. & Assets	49.9	53.7	+0.7	3.60
American	23.4	25.3	-0.2	2.00
Far East & Gen.	25.6	27.4	+0.2	2.50
Far East Trust	27.0	29.1	.....	2.80

Govett (John)♥
77 London Wall, EC2 01-588 5620

[illegible]

Minster Fund Managers Ltd.
Minster Hse., Arthur St., EC4. 01-623 1050

Minster April 9	41.8	43.9	.....	5.76
Exempt Feb. 28	104.9	108.9	.....	5.14

MLA Unit Trust Mngmnt. Ltd.
Old Queen Street, SW1A 9JG. 01-930 7333

MLA Units	56.8	59.7	.....	3.18

Murray Johnstone U.T. Mgnt.♥ (a)
163, Hope Street, Glasgow, G2 2UH. 041-221 5521

MJ European	74.0	78.8	.....	4.17

Dealing Day April 20.

Mutual Unit Trust Managers♥ (a)(g)
15 Copthall Ave., EC2R 7BU. 01-606 4803

Mutual Sec. Plus	58.7	62.2	+0.5	5.92
Mutual Inc. Tst.	79.4	84.7	-1.7	6.85
Mutual Blue Chip	50.4	54.3	+0.4	6.00
Mutual High Yld.	64.1	68.7	+1.0	7.86

National and Commercial
31, St. Andrew Square, Edinburgh. 031-556 9151

Income March 28	176.6	183.2	.....	5.42
(Accum. Units)	245.8	255.0	.....	5.42
Capl. April 11	148.2	153.6	.....	3.04
(Accum. Units)	182.4	189.2	.....	3.04

National Provident Inv. Mngrs. Ltd.♥
48, Gracechurch St., EC3P 3HH. 01-623 4200

N.P.I. Gth. Un. Tst.	56.7	60.4	.....	4.45
(Accum. Units)*	70.5	75.1	.....	4.45
NPI O'seas. Trust	131.7	139.4	.....	2.25
(Accum. Units)**	142.6	151.0	.....	2.25

**Prices on Feb. 29. Next dealing April 26.
*Prices on April 11. Next dealing April 25.

National Westminster♥ (a)
161, Cheapside, EC2V 6EU. 01-606 6060

Capital (Accum.)	76.0	81.7	+0.6	3.54
Extra Inc.	74.3	79.8	+0.6	7.55
Financial	38.3	41.1	+0.1	4.72
Growth Inv.	97.5	104.8	+1.0	4.35
Income	39.4	42.3	+0.5	6.57
Portfolio Inv. Fd.	81.2	85.0	+1.0	5.22
Universal Fd. (d)	49.6	53.3	-0.1	2.66

NEL Trust Managers Ltd.♥ (a)(g)
Milton Court, Dorking, Surrey. 5911

Nelstar	69.4	73.0	+0.5	4.66
Nelstar High Inc.	53.1	55.8	+0.2	7.41

Provincial Life Inv. Co. Ltd.♥
222, Bishopsgate, EC2. 01-247 6533

Prolific Units	93.9	100.6	+0.2	3.15
High Income	146.2	156.6	+1.0	6.50

Prudl. Portfolio Mngrs. Ltd.♥ (a)(b)(c)
Holborn Bars, EC1N 2NH. 01-405 9222

Prudential	152.0	161.5	+1.5	4.12

Quilter Management Co. Ltd.♥
The Stock Exchange, EC2N 1HP. 01-600 4177

Quadrant Gen. Fd.	128.6	134.0	.....	3.62
Quadrant Income	147.8	152.4	.....	7.34

Reliance Unit Mgrs. Ltd.♥
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

Opportunity Fd.	73.1	78.2	.....	5.54
Sekforde T. (Acc.)	48.3	51.6	+0.2	5.46
Sekforde T. Inc.	45.3	48.5	+0.2	5.46

Ridgefield Management Ltd.
38-40, Kennedy St., Manchester 061-236 8521

Ridgefield Int. UT	85.0	92.0	.....	2.66
Ridgefield Income	99.0	106.0	.....	8.68

Rothschild Asset Management (g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

N. C. Equity Fund	191.2	203.4	+1.9	3.45
N.C. Engy. Res. Tst.	116.5	121.9	-0.3	2.39
N.C. Income Fund	170.5	181.3	+1.0	6.81
N.C. Intl. Fd. (Inc.)	81.2	86.3	-0.6	2.12
N.C. Intl. Fd. (Acc.)	82.3	87.5	-0.4	2.12
N.C. Smllr Coys Fd.	197.5	210.2	+1.8	3.74

Rowan Unit Trust Mngt. Ltd.♥ (a)
City Gate Hse., Finsbury Sq., EC2. 01-606 1066

American April 12	66.5	70.0	+0.5	1.41
Securities April 10	205.0	216.0	.....	3.96
High Yield April 6	59.5	62.5	.....	8.00
(Accum. Units)	87.0	91.4	.....	8.00
Merlin April 4	91.8	96.7	.....	3.85
(Accum. Units)	115.5	121.6	.....	3.85

Royal Tst. Can. Fd. Mgrs. Ltd.
54, Jermyn Street, S.W.1. 01-629 8252

Capital Fd.	76.8	81.0	+1.3	3.21
Income Fd.	77.7	81.9	+1.1	6.86

Prices at April 12. Next dealing April 30.

Save & Prosper Group♥
4, Great St. Helens, London EC3P 3EP
68-73 Queen St., Edinburgh EH2 4NX
Dealings to: 01-554 8899 or 031-226 7351

International Funds				
Capital	38.6	41.5	+0.2	2.86

[illegible]

INSURANCE AND PROPERTY BONDS

[illegible]

OFFSHORE AND OVERSEAS FUNDS

Alexander Fund
37, rue Notre-Dame, Luxembourg.

Alexander Fund		US$7.42	.....	—

Net asset value April 11.

Allen Harvey & Ross Inv. Mgt. (C.I.)
1 Charing Cross, St. Helier, Jsy., C.I. 0534-73741

AHR Gilt Edg. Fd.	£12.22	12.24	.....	11.21

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey. 0534 76077

Cap. Tst. (Jersey)	124	128	.....	—

Next dealing date April 18.

Gov't Secs. Tst.	96.50	100.00	.....	12.50

Next dealing April 17.

East & Intl. Tst. (CI)	99	106	.....	3.54

Next dealing date April 19.

Australian Selection Fund NV
Market Opportunities, c/o Irish Young & Outhwaite, 127 Kent St., Sydney

US$1 Shares		$US1.48	.....	—

Net asset value November 24.

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.

Wldinvest Income	US$112.81	113.39	+0.32	8.16

Prices at April 12. Next sub. day April 18.

Banque Bruxelles Lambert
2, Rue De la Regence B 1000 Brussels

Renta Fund LF	1,934	1,994	-2	8.04

Barbican Managers (Jersey) Ltd.
P.O. Box 63, St. Helier, Jersey 0534 74806

Barb. Int. Fund	91.9	96.8	+0.1	3.00

Barclays Unicorn Int. (Ch. Is.) Ltd
1, Charing Cross, St. Helier, Jsy. 0534 73741

Overseas Income	49.6	52.2	+0.8	11.30
Unidollar Trust	US$11.88	12.51	.....	1.60
Unibond Trust	US$104.75	105.64	.....	8.60

Barclays Unicorn Int. (I.o.Man)
1 Thomas St., Douglas, I.o.M. 0624 4856

Unicorn Aust. Ext.	45.9	49.4	+0.4	1.90
Do. Aust. Min.	33.0	35.5	+0.4	1.70
Do. Grtr. Pacific	70.7	76.1	.....	—
Do. Intl. Income	39.1	42.1	.....	8.5
Do. I. of Man Tst.	47.8	51.4	.....	8.80

[illegible]

Keyser Ullmann Ltd.
25, Milk Street, EC2V 8JE. 01-606 7070

Fonselex	Fr1,374	1,509	.....	2.30
Bondselex	Fr120.30	126.45	.....	—
Cent. Assets Cap	£144.28	144.36	-0.02	—

King & Shaxson Mngrs.
1, Charing Cross, St. Helier, Jersey. (0534) 73741
Valley Hse., St. Peter Port, Grnsy. (0481) 24706
1 Thomas Street, Douglas, I.O.M. (0624) 4856

Gilt Fund (Jersey)	10.09	10.14	.....	11.25
Gilt Trust (I.o.M.)	115.5	118.7	.....	11.25
Gilt Fnd. Guernsey	10.53	10.56	.....	11.25
Intl. Govt. Secs. Tst.				
First Sterling	£21.03	21.16	.....	—
First Intl.	$US224.79	225.74	.....	—

Kleinwort Benson Limited
20, Fenchurch St., EC3. 01-623 8000

Eurinvest. Lux. F.		1,095	-8	4.38
Guernsey Inc.	71.3	75.7	.....	2.94
Do. Accum.	89.4	94.9	.....	2.94
KB Far East Fd.		$US13.15	.....	1.52
KB Gilt Fund	£11.80	11.87	+0.20	10.29
KB Intl. Fund		US$12.81	+0.16	1.80
KB Japan Fund		$US33.89	.....	0.74
K.B. U.S. Gwth. Fd.		US$13.24	.....	1.51
Signet Bermuda		$US5.28	.....	1.70
K. B. Int. Bd. Fd.		$US104.05	.....	—

Lloyds Bk. (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561

Lloyds Tst. O'seas	56.2	59.2	.....	1.62

Next dealing April 17.

Lloyds Trust Gilt	£10.55	10.56	.....	12.00

Next dealing April 18.

Lloyds Bank International, Geneva
P.O. Box 438, 1211 Geneve 11 (Switzerland)

Lloyds Int. Growth	SF335.50	359.50	.....	1.20
Lloyds Int. Income	SF295.00	306.50	.....	5.20

M & G Group
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588

Atlantic April 10	US$3.22	3.52	.....	—
Aus. Ex. April 11	$US2.38	2.73	.....	—
Gold Ex. Acc.	$US12.42	13.95	.....	—
Island	147.9	157.4	+0.9	13.52
(Accum Units)	215.3	229.3	+1.1	13.52

Samuel Montagu Ldn. Agents
114, Old Broad St., EC2. 01-588 6464

[illegible]

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1979 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
97¼	94⅝	Treasury 3pc '79‡‡	97¼	......	3.08	9.77
97¼	95⅜	Electric 4½pc '74-79	97¼	+¼	4.35	9.47
100¼	54⅝	Treasury 10½pc '79‡‡	100¼xd	......	10.47	9.98
96¾	94½	Electric 3½pc '76-79	96¾xd	+⅛	3.62	9.40
99⅜	95⅞	Treasury 9pc 1980‡‡	99⅜	......	9.06	9.75
99⅜	95	Treasury 9½pc '80‡‡	99⅜xd	......	9.56	10.14
95¾	92¼	Treasury 3½pc '77-80	95¾	+¼	3.65	7.37
96	92⅞	Funding 5¼pc '78-80‡‡	96	+⅛	5.47	8.93
103½	99	Exchequer 13pc 1980‡‡	103	−⅛	12.61	10.84
102⅝	96	Treasury 11½pc 1981‡‡	101	......	11.35	10.61
93½	88⅞	Treasury 3½pc 1979-81	93½	+½	3.74	7.35
99	13⅝	Treasury 9¾pc 1981‡‡	99	......	9.82	10.12
96	89½	Exch. 8¼pc 1981	96	......	8.57	10.18
98	91¼	Exch. 9½pc 1981	98	......	9.66	10.33
91¼	84¼	Exch. 3pc 1981	91¼	+⅛	3.29	7.11
98	96	Treas. Variable '81§§	97xd	+	12.25	12.69
104½	97	Exch. 12¾pc 1981‡‡	104	+	12.22	10.78
96⅜	88	Treas. 8½pc '80-82‡‡	96⅜	−⅛	8.82	10.02
89¼	82	Treasury 3pc '82‡‡	89¼	+¼	3.36	7.26
108⅜	100⅛	Treasury 14pc '82‡‡	108	−⅛	12.96	10.67
96	94⅜	Treas. Variable '82§§	96	+	12.12	13.13
95¼	85⅜	Treasury 8¼pc '82	95¼	......	8.66	10.01
97¼	86½	Exch. 9¼pc 1982	97⅛	−⅛	9.52	10.24
95¾	84⅝	Exch. 8¾pc 1983	95¾	......	9.14	10.13
85¾	78¼	Exch 3pc '83	85¾	+¼	3.50	7.31
104⅛	93⅛	Treasury 12pc 1983‡‡	104⅛	−¼	11.52	10.66
104	93⅛	Treas. 12pc '83 A‡‡	103¾	−	11.57	10.77
94	93½	Treas. Variable '83§§	93	+	12.42	13.66
96½	84½	Treasury 9¾pc '83	96½	......	9.59	10.28
97	85½	Exch. 10pc 1983	97	−⅛	10.25	10.66
89½	78¾	Funding 5½pc '82-84‡‡	89½	......	6.15	8.21

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

1979 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
23	22	Antofagasta Rly.	22	......	—	—
40	39	Do. 5pc Pref.	40	......	—	—
98	98	Chilean Mixed	98	......	—	f3.10

BONDS & RAILS—Cont.

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS AND HIRE PURCHASE

[illegible]

BANKS & HP—Continued

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4P 4BY
Telex: Editorial 886341/2, 883897. Advertisements: 885033. Telegrams: Finantimo, London.
Telephone: 01-248 8000.

Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1.
Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.

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MINES—Continued

AUSTRALIAN

1979 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
14	11	Acmex	11	......	—	—	—
171	129	Bougainville 50 Toea	135	−1	Q15c	1.0	6.9
140	95	BH South 50c	95	......	—	—	—
540	340	Central Pacific	520	+20	—	—	—
318	238	Conzinc Riotinto 50c.	240	−5	¶Q10c	2.0	2.6
36	26	Cultus Pacific N.L.	27	......	—	—	—
21½	15	Endeavour 20c	15	......	—	—	—
98	62	G.M. Kalgoorlie $1	63	−3	—	—	—
42	29	Haoma Gold N.L.	30	......	—	—	—
170	148	Hamptn Areas 5p.	168	+2	♦Q3.55	2.0	3.2
56	25	Metals Ex. 50c	53	+½	—	—	—
275	197	M.I.M. Hldgs. 50c	218	+3	†Q9c	1.7	2.4
15	15	Minefields Expl.	15	......	—	—	—
74	38	Mount Lyell 25c	57	......	—	—	—
44	18	Newmetal 20c	20	......	—	—	—
141	104	North B. Hill50c	108	......	†Q8c	1.3	4.3
22	11	Nth. Kalgurli	14	......	—	—	—
40	26	Nth. West Mining	27	......	—	—	—
137	90	Oakbridge SA1	93	......	Q12c	1.9	7.5
37	22	Oilmin N. L.	31	+1	—	—	—
120	58	Pacific Copper	90	......	—	—	—
£10¾	675	Pancont'l 25c	675	−50	—	—	—
25¾	17½	Paringa M&Ex.5p	19	......	—	—	—
510	335	Peko-Wallsend 50c.	335	−10	Q15c	3.3	2.6
215	145	Southern Pacific	205	+5	—	—	—
188	139	Westn. Mining 50c.	158	−2	†Q3c	0.7	1.1
11	9	Westmex	10	......	—	—	—
65	50	Whim Creek 20c	60	+10	—	—	—

TINS

30	23	Amal. Nigeria	29	......	2.81	1.3	14.4
435	320	Ayer Hitam $M1	320	−5	Q300c	0.5	20.1
72	51	Beralt Tin	68	−1	4.0	ϕ	8.8
270	200	Berjuntai $M1	215	+10	†Q110c	1.0	12.2
160	145	Geevor	160	......	H5.57	5.8	5.2
10	8	Gold & Base 12½p	9½	......	—	—	—
365	295	Gopeng Cons.	365	......	18.0	1.4	7.4
355	295	Hongkong	355	......	12.5	2.8	5.3
70	64	Idris 10p	68	......	‡12.0	1.6	‡
14	9½	Jantar 12½p	14	......	—	—	—
80	66	Kamunting $M0.50.	80	......	†Q12.5c	2.1	3.4
620	210	Killinghall $M1	335	......	—	—	—
465	365	Malay Dredging $M1	395	......	†175c	0.7	9.5
57*	42	ΔPahang	45	+1	—	—	—
85	60	Pengkalen 10p	80	......	4.5	1.2	8.4
240	205	Petaling $M1	210	......	Q120c	1.3	12.3
85	73	Saint Piran	75	−1	†2.03	6.5	4.0
58	53	South Crofty 10p	56	−1	†4.19	2.0	11.2
210	170	South Kinta $M0.50.	195	+10	†Q145c	0.6	16.0
405	285	Sthn Malayan $M1.	345	......	†Q190c	1.0	11.8
285	210	Sungei Besi $M1.	260	......	mQ65c	5.3	5.4
75	52	Supreme Corp. $M1.	53	......	ZQ10c	—	4.1
105	94	Tanjong 15p	105	+5	6.60	0.8	9.4
265	205	Tronoh $M1	245	+5	‡Q68c	1.6	‡

COPPER

104	56	Messina R0.50	96	−3	—	—	—

MISCELLANEOUS

74	54	Barymin	66	−1	—	—	—
13½	11	Burma Mines 17½p	11	......	—	—	—
345	170	Cons. Murch. 10c.	240	+10	—	—	—
410	340	Northgate C$1	355	−25	—	—	—
322	226	R.T.Z.	302	−2	9.5	2.8	4.7
65	40	Sabina Inds. C$1.	44	+2	—	—	—
880	725	Tara Expln. $1	725	......	—	—	—

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

$13¼	$10½	Buffels R1	$11⅞	−1¼	Q190c	ϕ	18.4
$11¾	890c	East Drie R1	985c	−77	Q115c	1.6	13.4
470c	350c	East Rand Prp. R1	415c	−48	Q10c	—	2.9
$24¼	$18¼	F.S. Geduld 50c	$22¼	−1¼	Q315c	2.6	16.3
$14⅝	$11⅛	Pres. Brand 50c	$13	−1½	Q150c	3.2	13.2
$14¼	$10¼	St. Helena R1	$11	−1½	Q190c	1.4	19.8
595c	407c	Stilfontein 50c	525c	−35	Q66c	ϕ	14.5
$24¼	$18¼	Vaal Reefs 50c	$21½	−1¼	Q280c	2.7	15.0
$35¼	$28¾	West Drie R1	$30	−2¼	†Q385c	1.7	14.8
$29½	$22¼	West Hldgs. 50c	$27	−1¼	Q415c	1.4	17.7
$13	$10½	Western Deep R2	$10¾	−¾	Q147½c	2.1	15.8

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 33 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- § Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. ‡‡ Yield based on assumption Treasury Bill Rate stay unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 30

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REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p.	27½	......	Sheff. Refrshmt	82	+1
Ash Spinning	107	......	Sindall (Wm.)	140	+2
Bertam	28	......			
Bdg'wtr. Est. 50p.	400	......	**IRISH**		
Clover Croft	28	......			
Craig & Rose £1	£107⅛	......	Conv. 9% '80/82	£91⅞	......
Dyson (R. A.) A	35	......	Alliance Gas	103	......
Ellis & McHdy	70	......	Arnott	385	+5
Evered	27½	......	Carroll (P.J.)	105	......
Fife Forge	54	......	Clondalkin	85xd	......
Finlay Pkg. 5p	21	......	Concrete Prods.	93	......
Graig Ship. £1	175	......	Helton (Hldgs.)	62	......
Higsons Brew	87	......	Ins. Corp.	220	......
Holt (Jos) 25p	269	......	Irish Ropes	105	−5
I.O.M. Stm. £1	170	......	Jacob	40	......
Pearce (C. H.)	210	......	T.M.G.	235xd	......
Peel Mills	30	......	Unidare	86	+1

OPTIONS

3-month Call Rates

Industrials		I.C.I.	20	Unilever	55
A. Brew	7	"Imps"	9	U.D.T.	4
BOC Intl.	6	I.C.L.	40	Utd. Drapery	10
B.S.R.	8	Inveresk	7	Vickers	17
Babcock	14	KCA	4	Woolworths	6½
Barclays Bank	32	Ladbroke	18	**Property**	
Beecham	52	Legal & Gen.	14		
Blue Circle	18	Lex Service	9	Brit. Land	5
Boots	18	Lloyds Bank	25	Cap. Counties	7
Bowaters	18	"Lofs"	5	E.P.	3½
B.A.T.	28	London Brick	7	Intreuropean	5
Brown (J.)	50	Lonrho	9	Land Secs.	20
Burton 'A'	22	Lucas Inds.	25	MEPC	15
Cadburys	5	"Mams"	18	Peachey	13
Courtaulds	10	Mrks. & Spncr	9	Samuel Props.	14
Debenhams	8	Midland Bank	30	Town & City	2
Distillers	21	N.E.I.	14	**Oils**	
Dunlop	6½	Nat. West. Bank	28		
Eagle Star	10	Do. Warrants	15	Brit. Petroleum	70
E.M.I.	14	P & O Dfd.	8	Burmah Oil	11
Gen. Accident	21	Plessey	10	Charterhall	3½
Gen. Electric	32	R.H.M.	5	Shell	48
Glaxo	50	Rank Org.	25	Ultramar	24
Grand Met.	12	Reed Intnl.	16	**Mines**	
G.U.S. 'A'	30	Spillers	5½		
Guardian	24	Tesco	6		
G.K.N.	24	Thorn	22	Charter Cons.	16
Hawker Sidd	22	Trust Houses	27	Cons. Gold	17
House of Fraser	15	Tube Invest.	30	Rio T. Zinc	27

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES

Saturday April 14 1979

MAN OF THE WEEK

Border lines case

BY MARK WEBSTER

PRESIDENT Julius Nyerere of Tanzania is used to criticism. In his long political life he has taken many decisions on the basis of principle while another head of state might have been more pragmatic. So it is not surprising that he was the one leader to have taken an uncompromising stand on the brutal regime of President Idi Amin of Uganda who, despite almost universal condemnation, looked likely to survive for many years yet.

Between the character of Nyerere and Amin there is a world of difference. Amin's murderous inconsistency, comical approach to politics and ostentatious life style contrasts dramatically with Nyerere's passionate attachment to principles, his seriousness and frugality. While Amin was always happy to follow the most lucrative path of a free market philosophy, Nyerere has developed a strict set of socialist principles.

What makes Tanzania's intervention so surprising is that it has so much to lose by defeat and so little to gain from victory. Tanzania will have secured its borders against further attack and installed a more sympathetic regime in Kampala. But against that Nyerere has staked his already

Julius Nyerere
Invasions of African privacy

shaky economy, the lives of his soldiers and the criticism of other African states for intervening in the affairs of another country.

It looks likely now that Tanzania will decide to pull out as soon as possible both for economic and political reasons. But although the Tanzanians have always said they have no territorial claims on Uganda, Nyerere now faces the daunting prospect of deciding whether or not to abandon a toddler administration long before it can walk on its own.

Whatever his decision, it is bound to be the product of the unusually principled way in which Nyerere has always looked on politics.

Born in 1922 on the eastern shore of Lake Victoria he attended a Government school from the age of 12. He won a scholarship to Makerere University in Uganda where he took his teacher's diploma and then taught in a mission school for two years. By that time he had already become a Roman Catholic, a religion he has followed devoutly though privately, all his life. He won another scholarship to Edinburgh University and completed his BA in 1952 to become the first black graduate of the then Tanganyika.

Once the new constitution was accepted in 1962 Nyerere became first president elected under a system of full adult suffrage in Tanzania. Since then, although Nyerere has always been the strong man in the Government, he has tried to build the strength and importance of the party. "He likes to create institutions," someone once remarked about him.

Probably the best known of his political acts during his period as president was the Arusha declaration of 1967 which was to affect the development of the country to the present day and which still has a fundamental influence on decision-making with the Government. The declaration was a product of Nyerere's growing realisation that the gap between the rich and poor was rapidly growing wider.

Critics of Nyerere's socialist system point out that Tanzania figures among the world's 25 poorest countries with a per capita income of under $200 per year. But Nyerere prefers to see his achievements in terms of a reduction in the income gap from 50 to 1 before independence to the latest figure of 9 to 1 which he hopes to reduce even further.

Rhodesians attack Lusaka

BY OUR FOREIGN STAFF

RHODESIAN COMMANDOS blew up the home and headquarters of Mr. Joshua Nkomo, the guerrilla leader, in a pre-dawn raid on the Zambian capital of Lusaka yesterday.

Mr. Nkomo was not at home at the time. Later, standing beside the twisted front gate of his gutted home, Mr. Nkomo told a crowd of hundreds that he would hit back at the Rhodesian forces. "I can assure you the Patriotic Front is going to punish those savages."

The Rhodesian commandos also destroyed office buildings used by the Zimbabwe African People's Union (ZAPU), the African National Congress and the South-West African People's Organisation (SWAPO), which is fighting for Namibian independence. Ten people were reported killed and 12 injured.

The raid, the first into a foreign African capital by Rhodesian troops, was angrily condemned by the British Government and by Mr. Shridath Ramphal, the Commonwealth Secretary General as an act of provocation and defiance.

In Salisbury, the Rhodesian Government said its forces had destroyed the Kazangula ferry linking Zambia and Botswana, part of a strategically important trade route for Zambia.

A Rhodesian military statement said the ferry was "known to have been carrying terrorist war material" for Mr. Nkomo's Zipra army.

Detentions

Observers in Salisbury saw the raids as an attempt to head off the possibility of a major offensive by ZIPRA during next week's internal settlement elections, which Mr. Nkomo has threatened to disrupt.

At the same time as the raids, the Rhodesian Government detained numerous supporters of Mr. Nkomo living inside Rhodesia for the period of the election. Nationalist sources claimed that over 100 people had been detained in Bulawayo alone.

The raid was the first attack by Rhodesian ground troops on targets in Lusaka and followed a series of air attacks on nationalist camps earlier this week in which more than 350 people were reported killed or injured.

The interior and roof of Mr. Nkomo's house, in a suburb not far from the home of Mr. Kenneth Kaunda, the Zambian President, were gutted with only the walls left standing. It was not clear what weapons were used, but local residents reported hearing machine gun fire and, later, loud explosions.

Some reports said the commando force drove into the city in jeeps, carried out the attacks, and escaped along the main highway towards Tanzania.

The Rhodesians were thought to have been brought into Zambia by helicopter or transport plane and set down some distance from the capital, which is defended by anti-aircraft missiles and guns.

The destruction of the ferry will increase Zambia's dependence on Rhodesia as a trade route, at a time when its economy is in serious difficulties. Until Zambia opened its southern railway route through Rhodesia, late last year, the Kazangula ferry provided an important lifeline for Zambian imports by road of urgently needed goods from South Africa.

Meanwhile, the Botswana Government said that black Rhodesian troops dressed in Botswana defence force uniforms had abducted 14 people from a house occupied by members of Mr. Nkomo's ZAPU party in Francistown, Northern Botswana.

It added that the Kazangula ferry and a car on it had sunk when an explosion occurred while the ferry was discharging on the Botswana side of the Zambesi River. Three bodies had been recovered so far.

● Dr. Kurt Waldheim, UN Secretary-General, yesterday condemned Rhodesian raids on Lusaka, and Francistown, Botswana, as "a dangerous escalation." He called on the Smith regime "to desist from further actions which can only diminish any hope of a peaceful solution of the Rhodesian problem."

Irish plan state company to challenge oil giants

BY OUR DUBLIN STAFF

THE Irish Government hopes to have legislation ready by the end of the year to establish a state-owned oil company which, among its other roles, would engage in direct negotiation for oil supplies with producer countries.

Government thinking was outlined by Mr. Desmond O'Malley, Minister for Industry, Commerce and Energy, when he explained his decision to issue an order taking control of the supply and distribution of diesel oil.

These new powers follow a serious shortage of diesel, and enable him to direct supplies to priority users, such as industry, agriculture and hospitals.

Mr. O'Malley hopes to reduce Ireland's dependence on the oil companies through the operations of a state company. There is speculation about a possible deal with Norway, in which oil would be exchanged for fishing rights in the rich Irish waters.

So far there has been no reaction from the oil companies except to promise co-operation with the ministerial order. There was less evidence of panic buying by motorists yesterday, although many may have cancelled Easter trips because of uncertainty about supplies.

The Government's move on oil distribution followed a tense meeting with the companies, at which Mr. O'Malley became convinced that not all of them were doing their best to overcome the shortfall caused by the crisis in Iran.

He believes he has found evidence of this in the discovery that stocks were abnormally high, and that the country's sole oil refinery was working at about 75 per cent capacity. Mr. O'Malley is arranging to have crude oil from the Gulf terminal at Bantry transferred to the refinery.

At yet, however, there is no sign of the Government agreeing to the companies' application for a price increase, even though Irish wholesale prices are significantly lower than those in the UK.

Mr. O'Malley admitted there were no shortages where prices were higher, but said he had to balance the interests of the consumer.

Burmah-Castrol (Ireland) has told central heating oil customers that it can supply them only if they agree in writing to pay 50 to 60 per cent more because its stocks are exhausted and it will have to buy on the international market.

Woolworth accuses bank over Brascan bid

By John Wyles in New York

F. W. WOOLWORTH has swiftly followed up its rejection of the $1.25bn (£537m) takeover bid from Canada's Brascan with a court suit accusing the Canadian Imperial Bank of Commerce (CIBC) of misusing confidential information in agreeing to help to finance the proposed offer.

Claiming that the CIBC is its largest single lender in a banking relationship which dates back to 1907, Woolworth's court document accuses the leading Canadian bank of providing inside information which forms "the linchpin" of Brascan's bid. The same knowledge of Woolworth's business supplied in confidence by the U.S. retailer formed the basis of CIBC's decision to agree to lend Brascan $700m to finance the takeover, the court document claims.

The outcome of the case, which is emerging as the backbone of Woolworth's attempt to thwart the possible launch of the bid on April 30, could greatly affect the role of banks in U.S. takeovers. Woolworth's case has been influenced by a federal court judgment in February which resulted in a 90-day injunction being issued against Chemical Bank of New York. This prevented the bank from financing Talley Industries' takeover of Washington Steel because the Chemical Bank had provided banking services for the target company.

But the withdrawal of Talley's bid prevented the case from reaching a full legal conclusion. Brascan insists that the Woolworth complaint is "totally without merit," while the CIBC denies any breach of confidentiality and insists that "we have performed responsibly and in conformity with established legal and ethical principles."

Woolworth's suit seeks temporary and permanent injunctions to prevent Brascan and the CIBC from pressing ahead with the bid. It accuses Brascan of "seeking to perpetrate a massive fraud on Woolworth" and its shareholders. It argues that in order to fund the debt incurred to finance the takeover Brascan "will be obligated to loot Woolworth assets."

Specifically, the court filing argues that after the acquisition, Brascan's total income by 1981 would fall at least $46m short of the $319m which, it is claimed, would be needed for total interest and premium payments on CIBC borrowings.

Alfred Herbert loses £7.4m

BY OUR INDUSTRIAL STAFF

ALFRED HERBERT, the National Enterprise Board's machine-tool subsidiary, incurred a net loss of £7.36m last year against a £342,000 profit in 1977.

The preliminary balance sheet shows that nearly £20m of new equity was injected into Herbert in 1978. Since the end of the year it has effectively received a further £8.3m in equity from the NEB in the course of that body's approval of the group budget and corporate plan.

Sir John Buckley, the chairman, does not feel able to make a forecast for the current year, but says: "The company is in a far stronger position than it has been for many years, having taken action in its major problem areas."

The future of Herbert will be one of the first matters to be discussed between the NEB and the new Government after the General Election.

This will be specially relevant if the Conservatives win, because they intend to analyse the performance of Herbert's individual plants as part of their review of the "lame ducks" held by the NEB.

Although they realise they will have to invest Government money in some companies that run into financial trouble, Tory leaders such as Sir Keith Joseph believe that there may well be a case for considering the closure of part of Herbert.

Herbert's sales last year were only marginally up, from £51.9m to £55.63m. The loss at pre-tax level was £3.31m (£19,000 profit) and the re-organisation of the Edgwick plant, which accounted for nearly all the operating loss, and the sale of Herbert's grinding business, added extraordinary costs of £4m.

The work force in the machine-tool division was reduced by 850, mainly at the Edgwick plant.

But Edgwick, even with a new product to make, cannot be expected to become profitable until 1980, says Sir John.

Weather

UK TODAY

RAIN in most areas, but SE England will start bright and become warm. Sunny intervals in Scotland and N. Ireland.

London, SE England, E Anglia
Bright intervals, rain more widespread later. Max 17C (63F).

Cent. S and E England, Midlands Channel Isles, SW England, Wales, N England
Cloudy, rain. Max. 11 to 13C (52 to 55F).

Lakes, I. of Man, all Scotland, Orkney, N Ireland
Sunny intervals, showers. Max 10 to 12C (50 to 54F).

Shetland
Occasional rain. Max. 8C (46F).

● **Outlook:** Mostly dry, sunny periods after some rain, chiefly in East.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	16	61	Locarno	C	15	59
Algiers	S	28	82	London	C	14	57
Amsdm.	S	14	57	Luxmbg.	S	16	61
Barclna.	S	17	63	Madrid	F	14	57
Belfast	F	10	50	Majorca	S	21	70
Belgrd.	F	15	59	Malaga	F	16	61
Berlin	S	18	64	Malta	S	19	66
Biarritz	S	22	72	Mchstr.	F	11	52
Bmghm.	S	13	55	Melbne.	C	18	64
Blackp'l	C	10	50	Milan	F	16	61
Bordx.	S	19	66	Mntreal.	S	10	50
Boulgn.	S	15	59	Moscow	S	13	55
Bristol	F	13	55	Munich	F	13	55
Brussels	S	18	64	Nairobi	C	21	70
Budpst.	S	16	61	Naples	S	19	66
B. Aires	S	20	68	Nwcstl.	F	11	52
Cairo	S	30	86	N. York	C	15	59
Cardiff	C	11	52	Nice	S	16	61
Cas'b'ca	C	13	55	Oporto	R	12	54
Cape T.	S	20	68	Oslo	S	12	54
Chicago	S	11	52	Paris	S	19	66
Cologne	S	18	64	Perth	S	26	78
Cpnhgn.	S	11	52	Reykjvk.	C	4	39
Corfu	S	17	63	Rhodes	S	18	64
Dublin	F	11	52	Rio J'o	C	27	80
Ednbgh.	C	11	52	Rome	S	17	63
Faro	F	15	59	Salzbg.	S	17	63
Florence	S	18	64	Singapr.	C	25	77
Frankf't	S	18	64	Stckhm.	C	11	52
Funchal	F	18	64	Strasbg.	S	17	63
Geneva	S	14	57	Sydney	S	19	66
Gibrltr.	C	16	61	Tangier	R	16	61
Glasgow	F	9	48	Tehran	S	21	70
G'rnsey	S	14	57	Tel Aviv	S	21	72
Helsinki	S	9	48	Tenerife	C	14	57
H. Kong	S	24	75	Tokyo	C	13	55
Innsbrk.	C	13	55	Toronto	C	7	45
Invrnss.	C	10	50	Tunis	S	18	64
I. o Man	S	9	48	Valencia	F	18	64
Jersey	S	15	59	Venice	S	18	64
Jo'burg	S	26	78	Vienna	S	18	64
L. Plms.	F	21	70	Warsaw	S	15	59
Lisbon	C	13	55	Zurich	S	14	57

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

Small premium so far on new gilt-edged stock

BY PETER RIDDELL

THE NEW gilt-edged stock offered and heavily oversubscribed this week has so far offered investors a much smaller profit than other recent issues.

The new stock—£800m of Exchequer 11 per cent 1991—opened at a discount of between ½ and ¾ of a point when dealings started on Thursday morning. This was in spite of heavy demand for the offer and was the result of a sharp fall in gilt-edged prices late on Wednesday.

However, quite strong demand then developed and after heavy trading the stock closed at a premium of ¼. One attraction of the stock is that only £15 per cent had to be paid on Wednesday and the next call is not until May 14, thus offering a speculative hedge until after the election.

The small premium on the new issue contrasts with the substantial immediate capital gains offered on other recent issues. For instance, there was a first-day premium of nearly 25 per cent on the long-dated stock issued in late February. The avoidance of such embarrassing results was one of the reasons for the introduction of the partial tender method, though the stock issued in this way last month is now standing at a premium of over 18 per cent.

Continued from Page 1

Prestcold and NEB row

Scottish plants began last autumn and involved the Scottish Development Agency, the Scottish Office, the Department of Industry, BL and the NEB.

Since 1975, when they last showed a profit, the two factories have progressively undermined Prestcold's overall performance. Last year they recorded a loss of about £800,000, and this year, in which Prestcold Holdings is expected to do more than break even, the Scottish plants are likely to lose as much as £1½m.

Before its final decision, announced last month, to try to sell the entire Prestcold operation which has an asset value of about £22m, BL had confronted the fact that there was now a substantial overcapacity for refrigeration compressors throughout Europe. Competition, particularly from Japan, is intense.

At the end of the recent review of Prestcold activities it was jointly agreed by BL and the NEB, which by virtue of its stake in BL owns Prestcold at arm's length, that the Glasgow closures held out the only chance of a profitable future for the remainder of the company.

The Government is then understood to have offered more funds to keep the two plants going. It was the rejection of the additional cash that led to Mr. Varley's unusual step.

The NEB's next move remains unclear, but it seems unlikely to accept Mr. Varley's intervention without fierce opposition. It considers the matter rests with the Department of Industry and the Scottish Office, and will take no further action until the directive is received.

A spokesman for the Department of Industry confirmed last night that Mr. Varley had told Sir Leslie Murphy of his intentions.

The intervention had been made so that discussions aimed at providing a longer-term solution to the problem of the Scottish plants could take place with all parties cocnerned.

THE LEX COLUMN

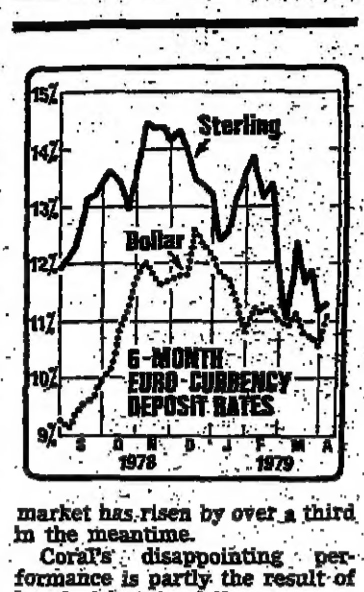
An end to Coral's winning streak

Recent experience suggests that a new Government stock is most unlikely to begin trading at a discount, but on Thursday morning some stags of *Exchequer 11 per cent 1991* decided they were unwilling to hold the stock over a long week-end during an election campaign, and the partly-paid issue fell to £14¾. By the close, however, those with strong nerves found themselves with an uneasy premium of ¼ point.

Gilts now seem to have found something of a trading range for the election run-up, but equities, having weathered a good deal of profit-taking, made steady progress over the week and on Thursday the 30-share index struck its highest closing level since September, 1977.

Sterling held its lower level against the dollar and advanced again on a trade-weighted basis. The New York and eurodollar markets have convinced themselves that the Federal Reserve is going to take a tough line on interest rates next week and the already firm dollar seems to be strengthening further.

Index rose 3.2 to 541.9



Coral Leisure

Coral Leisure's performance in 1978 is disappointing on a number of counts. A year ago it looked as if the group was capable of pushing its pre-tax profits up from £18.5m to close to £30m mainly because of its two big acquisitions—Pontin's and Centre Hotels — which together seemed capable of chipping in an extra £10m a year. In the event Coral's pre-tax profits are up by only 19 per cent to £22m, earnings per share have fallen by a fifth, and the gearing has shot up. At the end of 1978 Coral's net worth (ex-goodwill) of £57.4m supported borrowings of £50m. Maybe this is the price Coral has to pay if it is going to transform itself from a company heavily dependent on gambling profits into a "broadly based" leisure group. With Coral shares at 123p, the price is exactly the same now as at the time of the Pontin's bid while the stock market has risen by over a third in the meantime.

Coral's disappointing performance is partly the result of its decision to follow a more conservative depreciation policy than Pontin's and the need to spend heavily on refurbishing the hotels it bought in a run-down condition.

Even so the divergence between its experience and Ladbroke's on the casino side is baffling. Ladbroke has not disclosed its casino profits yet but they undoubtedly played a big part in its 70 per cent jump in 1978 profits. By contrast Coral's casino profits have slumped by well over a third.

Alfred Herbert

After six months Alfred Herbert was showing a pre-tax loss of £2.2m, so an outturn for the full year of £3.2m suggests a marginal improvement in the later months. But the group has also had to make heavy provisions against closures, and the total attributable loss for 1978 is £7.4m. Moreover the group has had the benefit of substantial conversion of loans to equity, which ought to have cut the interest burden. One way and another it looks as though Herbert received almost £20m of new equity in 1978, while since the year-end the NEB has boosted its equity resources by another £8.3m. After this, Herbert is said to have all but completed its reorganisation programme, and has a new sophisticated machine which has been well received in the U.S. market. But Herbert has not been able to shift its £39m stock mountain and demand remains unexciting.

Automotive Products

Automotive Products had a satisfactory year in 1978, with pre-tax profits up 11.3 per cent at £15.1m and continued good growth in direct exports, largely of original equipment to continental manufacturers. In the home market there was a volume fall in original equipment sales as the group further increased its concentration on the replacement market. AP is aiming for higher sales of spares for foreign cars as the imports of the past few years start to show their age. At the moment imports, despite taking over half the new car market in the UK, account for no more than a quarter of the spares sold.

In the immediate future, though, AP is faced with the task of making up the damage done in the first two months of the current year by the haulage dispute, the bad weather, and the hangover from the Ford strike. It will do well to raise profits at all this year, particularly if there is trouble at BL. The strength of sterling against the French franc is hurting earnings from its major foreign market, and margins are coming under pressure in the UK spares market in general.

Down 2½p at 85p, the shares yield only 2.7 per cent, but the company's anxiety to improve the return on the shares is not in doubt, and the ending of dividend restraint would be likely to see the cover on the dividend, now about eight times, drastically reduced. The fully taxed p/e is about 6.5.

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.